

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS Department Summary

Mission Statement

To increase the economic security, physical and economic well being and productivity of workers and achieve industrial peace.

Department Goals

To promote access to employment and assess the needs and skills of the workforce; to alleviate the economic hardship of workers during periods of disability or temporary unemployment; to protect the employment rights of workers and to assure a safe and healthy workplace; to develop, deliver and coordinate information to meet labor market supply and demand; and to promote the harmonious working relationship between business, labor, educators, and government agencies.

Significant Measures of Effectiveness	FY 2010	FY 2011
1. Percentage of job applicants who found jobs	58	58
2. Accident, injury/illness rate per 100 employees	6	6
3. Percentage of subject employers in compliance with Workers' Compensation,	85	85
Temporary Disability Insurance, and Prepaid Health Care laws		

FB 2009-2011 Operating Budget by Major Program Area **FY 2010** FY 2011 Enforce & Enforce & Adjudication. Adjudication, **Overall Program Overall Program** \$9,422,530,2% \$9,422,530, 2% Disability Comp., Support, Disability Comp., Support, \$28,627,242,6% \$7,608,250,2% \$28,627,242,6% \$7,608,250,2% Workforce Dev. Workforce Dev, \$62,186,463, 13% \$62,186,463, 13% Unemployment Ins., Unemployment Ins., \$376,725,501,77% \$376,725,501,77%

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS MAJOR FUNCTIONS

- Administers federal and state programs designed to improve the economic security, occupational safety and health, working conditions, and productivity of workers, and maintain favorable labor-management relationships throughout the State.
- Administers comprehensive employment and training services to both job seekers and employers through a system of employment offices located statewide.
- Administers the State Unemployment Insurance program. Ensures that fair hearings before impartial appeals referees are provided to employers and claimants with respect to determinations made by the department regarding unemployment insurance benefits, disaster unemployment insurance, and other security decisions.

- Administers and enforces the State's occupational safety and health laws.
- Administers all activities pertinent to the management of the Workers' Compensation, Temporary Disability Insurance, and Prepaid Health Care laws and programs.
- Administers and enforces State labor laws dealing with wages and other compensation, hours, child labor, family leave, and related rules and regulations.
- Conducts program, labor market, and economic research to augment and enhance management decisions and policy making capabilities.

MAJOR PROGRAM AREAS

The Department of Labor and Industrial Relations has programs in the following major program area:

Employment LBR 111 Workforce Development Program LBR 183 Disability Compensation Program Office of Language Access Workforce Development Council LBR 135 LBR 316 Hawaii Occupational Safety and Health Program Labor and Industrial Relations Appeals Board LBR 143 LBR 812 LBR 152 Wage Standard Program LBR 871 Employment Security Appeals Referees' Office Hawaii Civil Rights Commission Data Gathering, Research and Analysis LBR 153 LBR 901 LBR 161 Hawaii Labor Relations Board LBR 902 General Administration **Unemployment Compensation Program** Hawaii Career (Kokua) Information Delivery LBR 171 LBR 905 System

Department of Labor and Industrial Relations (Operating Budget)

		Allocation		
		FY 2009	FY 2010	FY 2011
Funding Sources:	Positions	265.64	228.22	228.22
General Funds	\$	17,548,068	12,915,278	12,915,278
		8.00	8.00	8.00
Special Funds		197,134,736	391,536,386	391,536,386
		434.10	432.10	432.10
Federal Funds		82,118,842	76,409,217	76,409,217
Interdepartmental Tr	ransfers	4,855,344	3,659,105	3,659,105
Revolving Funds		50,000	50,000	50,000
		707.74	668.32	668.32
Total Requirements		301,706,990	484,569,986	484,569,986

Major Adjustments in the Executive Budget Request: (general funds unless noted)

- 1. Transfers the Office of Community Services to the Department of Human Services which includes: 4.00 permanent and 4.00 temporary positions and \$3,636,579 in general funds; 2.00 permanent and 7.00 temporary positions and \$5,894,307 in federal funds; and \$1,200,000 in inter-departmental transfer funds.
- 2. Deletes 31.42 vacant permanent positions and \$1,403,958.
- 3. Increases the special fund ceiling for the Unemployment Insurance Trust Fund by \$194,400,000.

PROGRAM ID:

PROGRAM STRUCTURE NO.

PROGRAM TITLE:

DEPT OF LABOR AND INDUSTRIAL RELATIONS

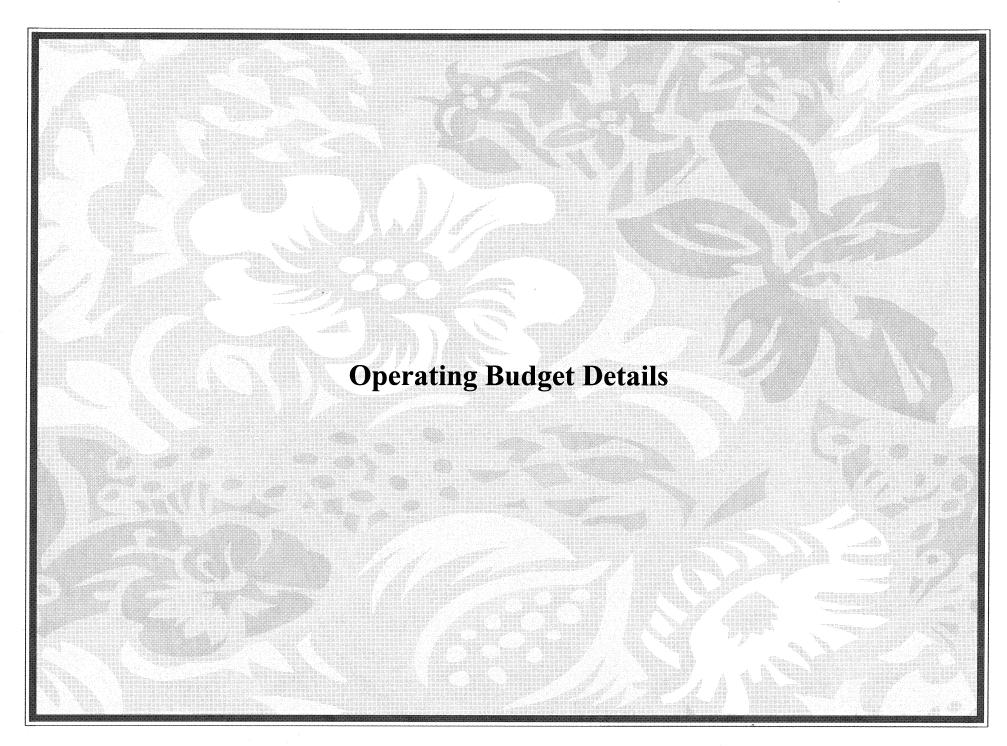
		IN DOLL	\RS					
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	702.24*	701.74*	668.32*	668.32*	668.3*	668.3*	668.3*	668.3
PERSONAL SERVICES	50,849,545	, ,	51,819,396	51,819,396	51,819	51,819	51,819	51,819
OTHER CURRENT EXPENSES	238,785,626		432,745,785	432,745,785	432,746	432,746	432,746	432,746
EQUIPMENT	82,805	4,805	4,805	4,805	5	5	5	5
TOTAL OPERATING COST	289,717,976	288,732,952	484,569,986	484,569,986	484,570	484,570	484,570	484,570
				i				
BY MEANS OF FINANCING				1				
	262.14*	261.64*	228.22*	228.22*	228.2*	228.2*	228.2*	228.2*
GENERAL FUND	14,544,945	13,633,256	12,915,278	12,915,278	12,914	12,914	12,914	12,914
	8.00*	8.00*	8.00*	8.00*	8.0*	8.0*	8.0*	8.0
SPECIAL FUND	197,108,379	197,108,379	391,536,386	391,536,386	391,537	391,537	391,537	391,537
	432.10*	432.10*	432.10*	432.10*	432.1*	432.1*	432.1*	432.1
OTHER FED. FUNDS	74,351,308	74,331,104	76,409,217	76,409,217	76,410	76,410	76,410	76,410
	*	*	*	*	*	*	*	* *
INTERDEPT. TRANSFER	3,663,344	3,610,213	3,659,105	3,659,105	3,659	3,659	3,659	3,659
	*	*	*	*	*	*	*	*
REVOLVING FUND	50,000	50,000	50,000	50,000	50	50	50	50
TOTAL POSITIONS	702.24*	701.74*	668.32*	668.32*	668.30*	668.30*	668.30*	668.30*
TOTAL PROGRAM COST	289,717,976	288,732,952	484,569,986	484,569,986	484,570	484,570	484,570	484,570

Department of Labor and Industrial Relations (Capital Improvements Budget)

	FY 2010	FY 2011
Funding Sources:		
General Obligation Bonds	0	0
Federal Funds	0	0
Total Requirements	0	0

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. None.



PROGRAM ID:

PROGRAM STRUCTURE NO. 02

PROGRAM TITLE:

EMPLOYMENT

		IN DOLL/	IN THOUSANDS					
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	702.24*	701.74*	668.32*	668.32*	668.3*	668.3*	668.3*	668.3*
PERSONAL SERVICES	50,849,545	49,983,473	51,819,396	51,819,396	51,819	51,819	51,819	51,819
OTHER CURRENT EXPENSES	238,785,626	238,744,674	432,745,785	432,745,785	432,746	432,746	432,746	432,746
EQUIPMENT	82,805	4,805	4,805	4,805	5	5	5	5
. TOTAL OPERATING COST	289,717,976	288,732,952	484,569,986	484,569,986	484,570	484,570	484,570	484,570
BY MEANS OF FINANCING								
	262.14*	261.64*	228.22*	228.22*	228.2*	228.2*	228.2*	228.2*
GENERAL FUND	14,544,945	13,633,256	12,915,278	12,915,278	12,914	12,914	12,914	12,914
	8.00*	8.00*	8.00*	8.00*	8.0*	8.0*	8.0*	8.0*
SPECIAL FUND	197,108,379	197,108,379	391,536,386	391,536,386	391,537	391,537	391,537	391,537
	432.10*	432.10*	432.10*	432.10*	432.1*	432.1*	432.1*	432.1*
OTHER FED. FUNDS	74,351,308	74,331,104	76,409,217	76,409,217	76,410	76,410	76,410	76,410
	*	*	*	*	*	*	*	*
INTERDEPT. TRANSFER	3,663,344	3,610,213	3,659,105	3,659,105	3,659	3,659	3,659	3,659
	*	*	*	*	*	*	*	*
REVOLVING FUND	50,000	50,000	50,000	50,000	50	50	50	50
TOTAL POSITIONS	702.24*	701.74*	668.32*	668.32*	668.30*	668.30*	668.30*	668.30*
TOTAL PROGRAM COST	289,717,976	288,732,952	484,569,986	484,569,986	484,570	484,570	484, <i>5</i> 70	484,570

PROGRAM ID:

LBR111

PROGRAM STRUCTURE NO. 020101

PROGRAM TITLE:

WORKFORCE DEVELOPMENT PROGRAM

		IN DOLLA	RS	IN THOUSANDS				
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	123.50*	123.50*	122.50*	122.50*	122.5*	122.5*	122.5*	122.5
PERSONAL SERVICES	16,783,886	16,753,389	17,496,885	17,496,885	17,497	17,497	17,497	17,497
OTHER CURRENT EXPENSES	43,593,096	43,565,345	43,563,053	43,563,053	43,563	43,563	43,563	43,563
TOTAL OPERATING COST	60,376,982	60,318,734	61,059,938	61,059,938	61,060	61,060	61,060	61,060
				i				
BY MEANS OF FINANCING				į ·				
	4.30*	4.30*	3.30*	3.30*	3.3*	3.3*	3.3*	3.3
GENERAL FUND	309,181	250,933	178,555	178,555	179	179	179	179
	*	*	*	*	*	*	*	*
SPECIAL FUND	6,806,016	6,806,016	6,834,023	6,834,023	6,834	6,834	6,834 119.2*	6,834 119.2
ATHER FER FINDS	119.20*	119.20*	119.20*	119.20*	119.2*	119.2*		
OTHER FED. FUNDS	49,651,572	49,651,572	50,388,255	50,388,255	50,388 *	50,388	50,388	50,388
INTERDEPT. TRANSFER	3,610,213	3,610,213	3,659,105	3,659,105	3,659	3,659	3,659	3,659
				- A				
TOTAL POSITIONS	123.50*	123.50*	122.50*	122.50*	122.50*	122.50*	122.50*	122.50
TOTAL PROGRAM COST	60,376,982	60,318,734	61,059,938	61,059,938	61,060	61,060	61,060	61,060

PERFORMANCE MEASURES AND PROGRAM REVENUES

PROGRAM ID: LBR111
PROGRAM STRUCTURE: D20101
PROGRAM TITLE: WORKFORCE DEVELOPMENT PROGRAM

	FY	FY	FY	FY	FY	FY	FY	FY
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. PERCENTAGE OF JOB APPLICANTS WHO FOUND JOBS 2. % MILITARY VETERAN JOB APPLICANTS WHO FOUND JOBS 3. % OF JOB APPLICANTS REFERRED TO JOB OPENINGS 4. % ADULTS PLACED IN JOBS FOLLOWING SKILLS TRAINING 5. YOUTHS PLACED IN JOBS AS % COMPLETED TRAINING 6. % APPRENTICES COMPLETNG TRAINING & ATTAINING CERTIF	54	54	54	54	54	54	54	54
	48	48	48	48	48	48	48	48
	46	46	46	46	46	46	46	46
	81	81	81	81	81	81	81	81
	72	72	72	72	72	72	72	72
	8	8	8	8	8	8	8	8
PROGRAM TARGET GROUPS 1. JOB APPLICANTS RECEIVING DLIR PLACEMENT ASSISTANCE 2. MILITARY VETERANS RECEIVING DLIR PLACEMENT ASSIST 3. EMPLOYERS SEEKING EMPLOYEES FOR JOB OPENINGS 4. ADULTS RECEIVING DLIR-SPONSORED SKILLS TRAINING 5. YOUTHS RECEIVING DLIR-SPONSORED SKILLS TRAINING 6. APPRENTICES IN APPRENTICESHIP TRAINING PROGRAMS	52976	50000	50000	50000	50000	50000	50000	50000
	4679	4500	4500	4500	4500	4500	4500	4500
	1306	1300	1300	1300	1300	1300	1300	1300
	2066	2000	2000	2000	2000	2000	2000	2000
	616	600	600	600	600	600	600	600
	5471	5500	5500	5500	5500	5500	5500	5500
PROGRAM ACTIVITIES 1. SERVICES PROVIDED TO JOB APPLICANTS 2. JOB OPENING NOTICES RECEIVD BY DLIR FROM EMPLOYERS 3. INDIVIDUALS RECEIVING BASIC & OCCUPATL SKILLS TRNG	42578	42500	42500	42500	42500	42500	42500	42500
	16125	16000	16000	16000	16000	16000	16000	16000
	2682	2600	2600	2600	2600	2600	2600	2600
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS) TAXES REVENUE FROM OTHER AGENCIES: FEDERAL CHARGES FOR CURRENT SERVICES TOTAL PROGRAM REVENUES	1,125	420	440	800	950	950	950	950
	14,720	13,506	13,506	13,506	13,506	13,506	13,506	13,506
	<u>4</u>	6	6	6	6	6	6	6
	15,849	13,932	13,952	14,312	14,462	14,462	14,462	14,462
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS) SPECIAL FUNDS TOTAL PROGRAM REVENUES	15,849	13,932	13,952	14,312	14,462	14,462	14,462	14,462
	15,849	13,932	13,952	14,312	14,462	14,462	14,462	14,462

A. <u>Statement of Program Objectives</u>

To deliver employment and training services to job applicants, workers, and industry throughout the State that are integrated with economic development efforts.

B. <u>Description of Request and compliance with Section 37-68(1)(A)(B)</u>

Reduction of \$84,888 in general funds will impact the following programs:

- Apprenticeship Program A reduction in personal services and other current expenses will delay the processing of apprenticeship registrations, program completion, and certifications of apprenticeship status for employers.
- Rapid Response Program A reduction in personal services will hinder the
 receipt and processing of plant closing notifications, responses to employer
 inquiries about plant closing laws, and coordination of the rapid response team
 to assist displaced (laid off) workers.

C. <u>Description of Activities Performed</u>

- Administer programs for employment, training, apprenticeship and related services, allocate resources, and establish statewide policies.
- Coordinate employment, training, and apprenticeship programs within the State to maximize the use of resources and to improve the delivery of services.
- Register, assess, and counsel job seekers, as needed, to assist them in developing and implementing employability development plans.

- Solicit and receive job orders from employers and recruit, screen, select, and refer job seekers to job openings, training, and apprenticeship programs.
- Monitor programs as required and provide technical assistance for the maintenance and operation of approved programs.

D. Statement of Key Policies Pursued

The following key policies pursued by various programs under LBR 111 relate to the Hawaii State Plan for Employment:

Objective A: Improve the Qualifications of Entry Level Workers and Their Transition to Employment

Objective B: Develop and Deliver Education, Training and Related Services to Ensure and Maintain a Quality and Competitive Workforce

Objective C: Improve Labor Exchange

Objective E: Improve Planning of Economic Development, Employment and Training Activities

E. <u>Identification of Important Program Relationships</u>

Workforce Development programs maintain close relationships with federal, county and private sector agencies.

The primary source of program funds is from federal appropriations provided through the U.S. Department of Labor. Staffs work closely with federal

representatives in administering the various programs. A major proportion of the federal funds must be passed through to the counties with the State maintaining oversight responsibility for program operations and expenditures. Some federal and State funds are provided to private, nonprofit agencies to service special groups such as older individuals. Apprenticeship program staff maintains close working relationships with various labor unions. Employment and Training Fund program staff work with business and industry representatives to develop training programs for the private sector and their employees.

F. Description of Major External Trends Affecting the Program

The state of the economy, both locally and nationally, affects the amount of federal funds received. This affects the level of expenditures and the number of individuals who can be served.

G. Discussion of Cost, Effectiveness, and Program Size Data

Federal funds allotted to Hawaii for job training programs decreased in FY 08-09 due to reduced federal appropriations. Fewer individuals were provided training services because of the reduced allotments but training programs continue to be effective in improving employment outcomes.

Federal funds allotted to Hawaii for labor exchange programs in FY 08-09 also decreased due to reduced federal appropriations. However, the number of job seekers increased due to rising unemployment and more people self-registering in electronic job matching system. Outcomes for the labor exchange programs were positive.

H. <u>Discussion of Program Revenues</u>

Act 68, SLH 1991, established an Employment and Training Fund to assist employers in upgrading workers skills. Program funds are obtained from a tax on employers collected through the unemployment insurance system. The tax will generate about \$300,000 during each year of FY 10-11.

I. Summary of Analysis Performed

An in-depth analysis of the program has not been performed.

J. Further Considerations

There are no further considerations at this time.

PROGRAM ID:

LBR135

PROGRAM STRUCTURE NO. 020102

PROGRAM TITLE:

WORKFORCE DEVELOPMENT COUNCIL

		IN THOUSANDS						
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	RS FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	3.00*	3.00*	3.00*	3.00*	3.0*	3.0*	3.0*	3.0
PERSONAL SERVICES	378,148	378,148	345,372	345,372	345	345	345	345
OTHER CURRENT EXPENSES	252,813	252,813	252,813	252,813	253	253	253	253
EQUIPMENT	4,805	4,805	4,805	4,805	5	5	5	5
TOTAL OPERATING COST	635,766	635,766	602,990	602,990	603	603	603	603

BY MEANS OF FINANCING				- {				
	3.00*	3.00*	3.00*	3.00*	3.0*	3.0*	3.0*	3.0%
GENERAL FUND	188,357	188,357	143,754	143,754	144	144	144	144
	*	*	*	*	*	*	*	' ж
OTHER FED. FUNDS	447,409	447,409	459,236	459,236	459	459	459	459
TOTAL POSITIONS	3.00*	3.00*	3.00*	3.00*	3.00*	3.00*	3.00*	3.00
TOTAL PROGRAM COST	635,766	635,766	602,990	602,990	603	603	603	603

PERFORMANCE MEASURES AND PROGRAM REVENUES

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR135
020102
WORKFORCE DEVELOPMENT COUNCIL

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
MEASURES OF EFFECTIVENESS							2010 11	2011.10
 % SUCCESS WORKFORCE INVESTMENT ACT TARGET OUTCOME % SUCCESS ADVANCING ADM/LEG RECOMMENDATIONS % SATISFACTION W/WDC'S EFFECTIVENESS BY COMMUNITY 	80 42 71	80 56 72	80 50 73	80 50 74	80 50 75	80 50 76	80 50 76	80 50 76
PROGRAM TARGET GROUPS 1. CIVILIAN POPULATION (AGES 14-64) 2. ELEMENTARY AND SECONDARY SCHOOL POPULATION 3. POST-SECONDARY SCHOOL POPULATION	847353 211414 50504	847353 211414 53509						
PROGRAM ACTIVITIES								
COMPLIANCE WITH WORKFORCE INVESTIGATION ACT REQ NO. OF REPORTS AND PUBLICATIONS COMPLETED NO. ORG PARTICIPATING ANNUAL WDC FORUM & OTHERS	73 4 100	80 5 120						
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS) REVENUE FROM OTHER AGENCIES: FEDERAL		50	50	50	50	50	50	50
TOTAL PROGRAM REVENUES		50	50	50	50	50	50	50
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS		50	50	50	50	50	50	50
TOTAL PROGRAM REVENUES		50	50	50	50	50	50	50

A. Statement of Program Objective

To lead and coordinate the continuing development of a skilled and competitive State workforce; to improve and enhance program effectiveness and efficiency and reduce and eliminate program overlaps and duplications; to recommend and act on policies in workforce development; and to assist in building State and local businesses and employment opportunities for all of Hawaii's people.

B. <u>Description of Request and Compliance with Section 37-68(1)(A)(B)</u>

No new programs are being proposed at this time. The program is in compliance with Section 37-68(1)(A)(B). General fund vacancy savings of \$9,838 was transferred to General Administration, LBR 2, to fund the payroll deficit due to the 4% reductions imposed by the Legislature. Additional general fund transfer of \$47,410 was due to receipt of federal funds.

C. Description of Activities Performed

- 1. The Workforce Development Council (WDC) implements the federal Workforce Investment Act (WIA), leading the partnerships for all workforce programs. It submits the required annual WIA performance report to the U.S. Department of Labor, provides technical assistance to the local boards and youth councils, collaboratively updates WIA policies and the five-year State WIA Plan, seeks waivers to the federal WIA and its regulations, reviews and advises on the workforce partners' status and issues, and develops incentive and award programs.
- 2. The WDC prepares a yearly report for the Governor and Legislature on workforce issues, which includes an inventory of federal and State funded

- programs and services, updates on the plans and actions on key policies, emerging trends, analysis, and recommendations for legislative and administrative consideration and implementation.
- 3. The WDC conducts an annual forum to define needs and obtain strategic commitments to adjust/align education, workforce development, and economic development policies and practices to produce a skilled and competitive workforce that addresses employer needs and self-sufficiency for families.
- 4. The WDC will meet its Chapter 202, HRS, and Reed Act responsibilities to the best of its resources capability. In order of priority, the duties of the Council that will receive attention are:
 - a. Activities and follow-up with agencies and organizations to implement WDC recommendations and forum commitments.
 - b. Increased WIA oversight with respect to outcomes that meet State and federal goals.
 - c. Continued dialogue with local communities to receive grassroots input to help shape workforce policies and implement programs and services in support of those policies.
 - d. Grant writing and activities to sustain the effectiveness and efficiency of the WDC and the local area WIBs.
 - e. Workforce data identification and collection to measure the indicators of the Hawaii Workforce Development Strategic Plan and to assess the

D. Statement of Key Policies Pursued

The WDC's major policy documents are the State's WIA five-year plan and the Workforce Development Strategic Plan which will serve both State and federal purposes. The WDC serves as the workforce policy advisory body to the Governor, Legislature and State and local workforce programs

E. <u>Identification of Important Program Relationships</u>

The WDC's key program relationships are with (1) partner agencies on the Council (DLIR, DBEDT, DHS, DOE, UH); (2) local workforce investment boards and their youth councils (both mandated by the federal WIA); and (3) community-based partners such as industry intermediary organizations, ALU LIKE, and school and community organizations.

F. Description of Major External Trends Affecting the Program

The immediate external trends affecting the program are (1) State government reductions that have seriously affected Council staff; (2) federal government workforce program requirements and funds to support an increasing workload; (3) imbalances in labor supply and demand; (4) changing State economic sectors impacted by the burgeoning effects of technology, industry restructuring, global competition, and State and private diversification efforts; (5) demographics such as the aging population and growing immigrant populations; (6) education and training reform particularly in standards-based knowledge, skills and performance; and (7) federal work-first policies in social services programs.

effectiveness of the workforce and training programs.

G. Discussion of Cost, Effectiveness, and Program Size Data

In the last year, a new executive director and three Council staff served a council of 31 members and performed Council responsibilities. Please see Section B for a description of WDC's request and its relationship to cost, effectiveness, and program size.

H. Discussion of Program Revenue

No program revenues are projected for the biennium.

I. Summary of Analysis Performed

An in-depth analysis of the program has not been performed.

J. Further Considerations

There are no further considerations at this time.

PROGRAM ID:

LBR171

PROGRAM STRUCTURE NO. 020103

PROGRAM TITLE:

UNEMPLOYMENT INSURANCE PROGRAM

	IN DOLLA	\RS	IN THOUSANDS				
FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
207.50*	207.50*	207.50*	207.50*	207.5*	207.5*	207.5*	207.5*
12,887,827	12,887,827	13,787,003	13,787,003	13,787	13,787	13,787	13,787
168,538,498	168,538,498	362,938,498	362,938,498	362,939	362,939	362,939	362,939
181,426,325	181,426,325	376,725,501	376,725,501	376,726	376,726	376,726	376,726
* 166,626,650	* 166,626,650	* 361,026,650	* 361,026,650	* 361,027	* 361,027	* 361,027	* 361,027
207.50* 14,799,675	207.50* 14,799,675	207.50* 15,698,851	207.50* 15,698,851	207.5* 15,699	207.5* 15,699	207. <i>5</i> * 15,699	207.5* 15,699
207.50*	207.50*	207.50*	207.50*	207.50*	207.50*	207.50*	207.50*
181,426,325	181,426,325	376,725,501	376,725,501	376,726	376,726	376,726	376,726
	207.50* 12,887,827 168,538,498 181,426,325 * 166,626,650 207.50* 14,799,675	FY2007-08 FY2008-09 207.50* 207.50* 12,887,827 12,887,827 168,538,498 168,538,498 181,426,325 181,426,325 ** 166,626,650 207.50* 14,799,675 14,799,675 207.50* 207.50*	FY2007-08 FY2008-09 FY2009-10 207.50* 207.50* 207.50* 12,887,827 12,887,827 13,787,003 168,538,498 168,538,498 362,938,498 181,426,325 181,426,325 376,725,501 *** 166,626,650 166,626,650 361,026,650 207.50* 207.50* 207.50* 14,799,675 14,799,675 15,698,851 207.50* 207.50* 207.50*	FY2007-08 FY2008-09 FY2009-10 FY2010-11 207.50* 207.50* 207.50* 207.50* 12,887,827 12,887,827 13,787,003 13,787,003 168,538,498 168,538,498 362,938,498 181,426,325 181,426,325 376,725,501 376,725,501 *** 166,626,650 166,626,650 361,026,650 361,026,650 207.50* 207.50* 207.50* 207.50* 14,799,675 14,799,675 15,698,851 15,698,851 207.50* 207.50* 207.50* 207.50*	FY2007-08 FY2008-09 FY2009-10 FY2010-11 FY2011-12 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.5* 12,887,827 12,887,827 13,787,003 13,787,003 13,787,003 13,787 362,938,498 362,939 181,426,325 181,426,325 376,725,501 376,725,501 376,725,501 376,726 307.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.5* 14,799,675 14,799,675 15,698,851 15,698,851 15,699 207.50* 207.50* 207.50* 207.50* 207.50*	FY2007-08 FY2008-09 FY2009-10 FY2010-11 FY2011-12 FY2012-13 207.50* 207.50* 207.50* 207.50* 207.50* 207.5* 207.5* 12,887,827 12,887,827 13,787,003 13,787,003 13,787 13,787 168,538,498 168,538,498 362,938,498 362,938,498 362,939 362,939 181,426,325 181,426,325 376,725,501 376,725,501 376,726 376,726 376,726 376,726 376,726 376,726 376,726 376,726 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50* 207.50*	FY2007-08 FY2008-09 FY2009-10 FY2010-11 FY2011-12 FY2012-13 FY2013-14 207.50* 207.50* 207.50* 207.50* 207.5* 207.7* 362,938,498 362,938,498 362,939

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR171
020103
UNEMPLOYMENT INSURANCE PROGRAM FY FY FY FY

	FY	FY	FY	FY	FY	FY	FY	FY
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. NO. INSURED EMPLOYEES AS % OF TTL LBR FORCE 2. NO. PROMPT PAYMTS MADE AS % TOTAL NO. PAYMT 3. NO. ACCEPTABLE NONMON. DET. AS % TOTAL NONMON DET 4. NO. ACCEPTABLE APPEALS DEC. AS % TTL DECISIONS 5. NO. PROMPT STATUS DET. AS % TOTAL STATUS DET. 6. NO. AUDITS PERFORMED AS % TTL EMPLOYERS 7. NO. EMPLOYERS DELINQ FOR TAXES AS % TTL EMPLOYERS 8. NO. EMPLOYERS DELINQ FOR REPT AS % TTL EMPLOYERS	95 91 94 91 88 2 5 8	95 90 90 90 85 2 5						
PROGRAM TARGET GROUPS 1. NO. OF INSURED UNEMPLOYED INDIVIDUALS (WKLY AVE) 2. NO. OF SUBJECT EMPLOYERS 3. NO. OF SELF-FINANCED NON-PROFIT ORGANIZATIONS	8441	15900	16000	14900	12400	12500	12700	12800
	31326	31500	31700	31900	32100	32300	32300	32300
	202	200	200	200	200	200	200	200
PROGRAM ACTIVITIES 1. INITIAL OR NEW CLAIMS (ALL PROGRAMS) 2. CONTINUED CLAIMS (ALL PROGRAMS) (1000'S) 3. CLAIMS ADJUDICATION - ALL PROG (NON-MONETARY DET) 4. STATUS DETERMINATIONS 5. EMPLOYER AUDITS 6. TAX PAYMENT PROCESSING 7. WAGE RECORDS (1000S) 8. INSURED UNEMPLOYMENT RATE 9. TOTAL UNEMPLOYMENT RATE	73565	150000	135000	126000	109000	110000	111000	112000
	461	970	850	790	660	670	670	680
	37528	58000	54000	52000	46000	47000	47000	48000
	8011	8000	8000	8000	8000	8100	8100	8200
	536	600	600	600	650	650	700	700
	124470	125000	126000	127000	128000	128500	129000	130000
	2775	2800	2800	2850	2850	2900	2900	2950
	1.3	2.6	2.6	2.4	2.0	2.0	2.0	2.0
	3.1	5.0	5.5	5.0	4.0	4.0	4.0	4.0
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS) TAXES REVENUES FROM THE USE OF MONEY AND PROPERTY REVENUE FROM OTHER AGENCIES: FEDERAL TOTAL PROGRAM REVENUES	103,477	137,000	137,000	137,000	137,000	137,000	137,000	137,000
	20,196	26,000	26,000	26,000	26,000	26,000	26,000	26,000
	18,785	20,000	20,000	20,000	20,000	20,000	20,000	20,000
	142,458	183,000	183,000	183,000	183,000	183,000	183,000	183,000
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS) SPECIAL FUNDS TOTAL PROGRAM REVENUES	142,458	183,000	183,000	183,000	183,000	183,000	183,000	183,000
	142,458	183,000	183,000	183,000	183,000	183,000	183,000	183,000

A. State of Program Objective

To alleviate the economic hardships that result from loss of wage income during periods of involuntary unemployment.

B. Description of Request and Compliance With Section 37-6B(1)(A)(B)

This program is requesting an increase in unemployment benefits of \$194,400,000 in special fund for the Fiscal Biennium 2009 - 2010 due to the projected increase in the total unemployment rate from 3.1% to 5.5%.

C. <u>Description of Activities Performed</u>

To administer the statewide Unemployment Insurance Program (including the payment of allowances under special training programs). The two major functions are:

- a. The collection of contributions from subject employers to finance the payment of benefits.
- b. The payment of benefits to eligible persons who are unemployed.

D. Statement of Key Policies Pursued

Emphasis is directed on the following program objectives:

- a. Make prompt benefit payments;
- b. Eliminate deficiencies in the claims adjudication process;
- c. Register subject employers, collect taxes, reduce tax delinquency; and

d. Strengthen the organization, its managements, and supervision.

E. Identification of Important Program Relationships

1. U.S. Department of Labor, Training Administration

Since the program receives a substantial portion of its administrative funds from Federal grants, the division must comply with the regulations prescribed by the Secretary of Labor and with the policies contained in the Employment Security Manual or set forth in other official DOL publications or agreements.

2. Other State Agencies

Close relationship is maintained with other state agencies that render services for each division: Department of Accounting and General Services (data processing services), the Attorney General's Office (legal services), Department of Accounting and General Services (preparation of benefit checks), and the Department of Taxation (cashiering services).

F. Description of Major External Trends Affecting the Program

The program size is dependent on the economic condition of the State. As unemployment increases, workloads will increase. Program scope is dependent on legislation. If federal changes are enacted, the State will be required to implement similar provisions.

G. Discussion of Cost, Effectiveness, and Program Size Data

1. Unemployment related data is based on projections made by the Department's Research & Statistics Office. The forecasted rate of insured unemployment is expected to average 2.2%.

2. Employer data is based on the number of subject employers projected to increase at a 0.5% annual rate.

H. Discussion of Program Revenue

- 1. Federal grant for administrative costs FY 2008 -- \$15,528,000
- 2. Employer contribution to the Trust Fund for payment of unemployment insurance benefits FY 2008 -- \$127,000,000
- 3. State Employment and Training Assessment FY 2008 -- \$992,000
- 4. Special Unemployment Insurance administrative funds for administrative costs FY 2008 -- \$643,000

I. Summary of Analysis Performed

An in-depth analysis of the program has not been performed.

J. Further Considerations

There are no further considerations at this time.

PROGRAM ID:

LBR905

PROGRAM STRUCTURE NO. 020105

PROGRAM TITLE:

HI CAREER (KOKUA) INFORMATION DELIVERY S

		IN DOLLAR	?S	IN THOUSANDS				
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	*	*	*	*	*	*	*	*
PERSONAL SERVICES	464,603	464,603	497,606	497,606	498	498	498	498
OTHER CURRENT EXPENSES	126,445	126,445	25,929	25,929	26	26	26	26
TOTAL OPERATING COST	591,048	591,048	523,535	523,535	524	524	524	524
BY MEANS OF FINANCING				+				
	*	*	*	*	*	*	*	*
GENERAL FUND	430,998	430,998	353,983	353,983	354	354	354	354
	*	*	*	*	*	*	*	*
OTHER FED. FUNDS	160,050	160,050	169,552	169,552	170	170	170	170
TOTAL POSITIONS	*	*	*	*	*	*	*	*
TOTAL PROGRAM COST	591,048	591,048	523,535	523,535	524	524	524	524

PERFORMANCE MEASURES AND PROGRAM REVENUES

PROGRAM ID: LBR905
PROGRAM STRUCTURE: 020105
PROGRAM TITLE: HAWAII CAREER (KOKUA) INFORMATION DELIVERY SYSTEM

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
MEASURES OF EFFECTIVENESS 1. USER SATISFACTION W/CAREER EXPLORATIN TOOL (1-100)	93	80	80	80	80	80	80	80
PROGRAM TARGET GROUPS 1. NUMBER OF INTERNET "HITS" ON CAREER KOKUA WEBSITE	219952	132000	135000	135000	140000	142000	142000	14500
PROGRAM ACTIVITIES 1. NO. OUTREACH AND EDUCATIONAL ACTIVITIES CONDUCTED	27	20	20	20	20	20	20	20

A. Statement of Program Objectives

Plans, develops, implements and maintains a comprehensive statewide career information delivery system to provide career, job, occupational, educational and training information to adults, jobseekers, and youths.

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Reduction of \$100,516 in general funds is being proposed. A program budget to develop products that facilitate career development and career management including setting subscription fees to balance adequate funding for program activities will be evaluated. Elimination of publications and selected license fees will make the system more affordable while maintaining the highest quality standards to the content and computerized web-based delivery systems.

C. <u>Description of Activities Performed</u>

The Hawaii Career Information Delivery System (HCIDS) aka Career Kokua provides a comprehensive computerized system of local career and related educational information for job seeking, career placement, career planning and career decision making needs of job seekers, workers, and students in the State of Hawaii.

- 1. Develops and maintains up-to-date and localized career, occupational, and related educational and training information.
- Collects and analyzes current information and develops it into usable formats for workforce development, job placement, employment and training, and career development organizations, job counseling agencies, and schools.
- Consults with, trains, and supports user agencies on the use and integration of career assessments and information components in employment, placement, counseling, and instructional programs.

4. Develops and manages computerized delivery systems.

D. Statement of Key Policies Pursued

In accordance to HRS 373C-31 Career Kokua is to be available to all regions and people of the State and delivered to meet user needs of training agencies, employment service/workforce development offices, social services agencies, and schools.

- Career Kokua adheres to national standards for computer-based systems of
 career information. It receives certification based on an annual check of
 compliance with the Core Standards for information products and services for
 career development; Component Standards for specific process components
 (assessment, search/sort, and career planning and management), Content
 Components Standards (occupational, industry, education and training, financial
 aid and job search information) that advance career development; Component
 Integration Standards for multi-component career information products and
 services in which components are interrelated; and Comprehensive System
 Standards that apply to integrated career development processes linked to workrelated and educational information for multiple audiences, accountability, and
 user support and training.
- Career Kokua is a member of the CIS (Career Information System) consortium comprised of 20 states' CID systems. The consortium provides technical assistance and products to assist the states with the development and management of their CIDS.
- 3. An HCIDS Advisory Committee provides advice on the development and delivery of Career Kokua products and services. Major users are represented on the Committee.

E. <u>Identification of Important Relationships</u>

Program relationships are developed and maintained with users of the HCIDS which include workforce development (WDD) offices and local one-stop job centers, job training agencies such as Job Corps and Alu Like, Dept. of Human Services' Voc. Rehab., Welfare-to-Work, and Ho'opono offices, military base family support centers, public (DOE) and private schools (esp. middle and high schools), all community colleges and UH campuses, private universities (HPU and Chaminade), WIA youth providers, and other counseling and career development agencies in the State.

F. Description of Major External Trends Affecting the Program

Career Kokua is recognized as an essential tool that can further the Governor's initiative to ensure a strong economic future for Hawaii. A primary goal for the State is a skilled workforce and Career Kokua provides information that will lead to a workforce better prepared to support economic development. To meet the career transition needs of dislocated workers, Career Kokua utilizes new technologies, designs new processes to meet their needs, creates such localized products as Information for Hawaii's Dislocated Workers, and enables access to its resources and information for a broad range of people including those with limited access to technology and those with physical disabilities. The Governor's Five-Point Plan is also concerned with moving the State to a "green economy. In response, Career Kokua expands existing information and creates new content on such topics as Green Jobs. Career Kokua also designs its system and products with collaboration and input of stakeholders and state-level organizations.

Career Kokua plays an integral role in the implementation of initiatives in the state such as the Workforce Investment Act (WIA), Hawaii Tourism Workforce Development, Re-Employment Works, Incumbent Worker Training, the Leeward Coast Initiative, Welfare-to-Work, High School Reform, High Schools That Work, Hawaii DOE General Learner Outcomes, Hawaii DOE Content and Performance Standards, Career & Technical Education, and No Child Left Behind (NCLB).

The HCIDS career information analysts do data gathering, research, and analysis of local, state, national, and global, information that may affect or are related to the career, occupational, and educational information that are provided to job seekers, workers, and students for their career planning and decision making.

Advancements and changes in standards for computer hardware and software affect the development and management of the career information and databases; printing and production of informational handbooks, brochures, user materials; and the methods and media for the delivery of the computerized career information systems.

I. Discussion of Cost, Effectiveness, and Program Size Data

Resources are provided through State general funds. A Memorandum of Understanding with the Workforce Development Division (WDD) provides resources for the development and maintenance of the Consumer Report Card System (CRCS) that is a requirement of the Workforce Investment Act (WIA).

G. Discussion of Program Revenue

None

H. Summary of Analysis Performed

None

I. Further Considerations

None

PROGRAM ID:

LBR143

PROGRAM STRUCTURE NO. 020201

PROGRAM TITLE:

HI OCCUPATIONAL SAFETY & HEALTH PROGRAM

		IN DOLLAF	?S	:	IN THOUSANDS					
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15		
OPERATING COST	67.00*	67.00*	 52.50*	52.50*	52.5*	52.5*	52.5*	52.5*		
PERSONAL SERVICES	3,373,646	3,393,374	3,001,354	3,001,354	3,001	3,001	3,001	3,001		
OTHER CURRENT EXPENSES	1,013,238	1,013,238	863,238	863,238	863	863	863	863		
TOTAL OPERATING COST	4,386,884	4,406,612	3,864,592	3,864,592	3,864	3,864	3,864	3,864		

BY MEANS OF FINANCING										
	41.50*	41.50*	27.00*	27.00*	27.0*	27.0*	27.0*	27.0*		
GENERAL FUND	2,092,635	2,112,363	1,477,505	1,477,505	1,477	1,477	1,477	1,477		
	25.50*	25.50*	25.50*	25.50*	25.5*	25.5*	25.5*	25.5*		
OTHER FED. FUNDS	2,244,249	2,244,249	2,337,087	2,337,087	2,337	2,337	2,337	2,337		
	*	*	*	*	*	*	*	*		
REVOLVING FUND	50,000	50,000	50,000	50,000	50	50	50	50		
TOTAL POSITIONS	67.00*	67.00*	52.50*	52.50*	52.50*	52.50*	52.50*	52.50*		
TOTAL PROGRAM COST	4.386.884	4,406,612	3,864,592	3,864,592	3,864	3,864	3,864	3,864		

STATE OF HAWAII

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR143
020201
HAWAII OCCUPATIONAL SAFETY AND HEALTH PROGRAM

	FY							
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. ACCIDENT, INJURY/ILLNESS RATE PER 100 EMPLOYEES 2. WORKDAYS LOST PER 100 EMPLOYEES 3. WORK-RELATED FATALITIES PER 100,000 EMPLOYEES 4. AVERAGE WORKERS' COMPENSATION COSTS	4.6	4.7	4.7	4.7	6	6	6	6
	2.6	3.0	3.0	3.0	3.5	3.5	3.5	3.5
	23	20	20	20	20	20	20	20
	6775	6800	6800	6800	6200	6200	6200	6200
PROGRAM TARGET GROUPS 1. COVERED CIVILIAN WORK FORCE EXCEPT FED/MARITIME 2. COVERED EMPLOYERS EXCLUDING FEDERAL AND MARITIME 3. NO. ELEVATORS, BOILERS, ETC. IN STATE	588947	530000	530000	530000	530000	530000	530000	530000
	36646	34000	34000	34000	34000	34000	34000	34000
	18705	21700	21700	21700	21700	21700	21700	21700
PROGRAM ACTIVITIES 1. NO. OF SAFETY/HEALTH COMPLIANCE INSPECTIONS 2. # SAFETY/HEALTH COMPLIANCE ASSISTANCE CONSULTATION 3. NO. FATALITY/CATASTROPHE INVESTIGATION FOR SAFETY/HTH 4. NO. DISCRIMINATION INVESTIGATIONS FOR SAFETY/HTH 5. NO. OF SAFETY AND HEALTH HAZARDS CORRECTED 6. NO. OF ELEVATOR/ETC. INSPECTIONS 7. NO. OF BOILER AND PRESSURE VESSEL INSPECTIONS 8. NO. OF COMPLAINTS SATISFIED WITH TIMELY RESPONSES 9. TOTAL NUMBER OF TRAINING HOURS PROVIDED	572	800	800	800	1000	1000	1000	1000
	177	240	240	240	240	240	240	240
	11	10	10	10	10	10	10	10
	7	15	15	15	15	15	15	15
	728	1000	1000	1000	2000	2000	2000	2000
	3321	4200	4200	4200	4200	4200	4200	4200
	4687	4800	4800	4800	4800	4800	4800	4800
	52	60	60	60	100	100	100	100
	595	240	240	240	240	240	240	240
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS) REVENUE FROM OTHER AGENCIES: FEDERAL CHARGES FOR CURRENT SERVICES FINES, FORFEITS AND PENALTIES TOTAL PROGRAM REVENUES	2,204	1,700	1,700	1,700	1,700	1,700	1,700	1,700
	930	860	860	860	860	860	860	860
	420	500	500	500	500	500	500	500
	3,554	3,060	3,060	3,060	3,060	3,060	3,060	3,060
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS) GENERAL FUNDS SPECIAL FUNDS TOTAL PROGRAM REVENUES	1,350	1,360	1,360	1,360	1,360	1,360	1,360	1,360
	2,204	1,700	1,700	1,700	1,700	1,700	1,700	1,700
	3,554	3,060	3,060	3,060	3,060	3,060	3,060	3,060

A. Statement of Program Objective

To assure every employee safe and healthful working conditions, and to assure the safe operation and use of boilers and pressure vessels, elevators and kindred equipment, and amusement rides.

B. Description and Request and Compliance with Section 37-68(1)(A)(B)

The Occupational Safety and Health program, LBR 143 EA, deleted 8.50 general funded vacant positions totaling \$342,006. These positions require matching federal funds in accordance with the grant agreement.

The Boiler and Elevator Safety program, LBR 143 EB, deleted six general funded vacant positions totaling \$275,436. Additionally, there is a general fund reduction of \$150,000 in operating expenses.

C. <u>Description of Activities Performed</u>

- The program promotes voluntary compliance with chapter 396, HRS, and with
 the nationally recognized standards adopted by the program by providing
 consultation and compliance assistance through training, education, information,
 and outreach activities. The program reinforces employers' voluntary
 compliance through compliance inspections with citations and penalties. The
 program also investigates employee complaints regarding workplace hazards
 and fatalities/catastrophes to determine root causes of accidents and to prevent
 their recurrence.
- 2. The program inspects boilers and pressure vessels, elevators and kindred equipment, and amusement rides for safety of equipment and operation in

- accordance with chapter 397, HRS, and with nationally recognized standards adopted by the program to protect the public.
- 3. The program issues Certificates of Fitness (COF) for blasters and pyrotechnics/special affects specialists to protect employees and the public.
- 4. The Hoisting Machine Operators' Advisory Board issues certificates to crane operators and reviews the department's activities related to hoisting machines.

D. Statement of Key Policies Pursued

Pursuant to the Employment Functional Plan, the program improves the quality of life for workers and families. The objective of the program activities is to maintain life and prevent injury and illness to workers and the public.

E. <u>Identification of Important Program Relationships</u>

The State can administer its own occupational safety and health program because the department met the minimum requirements set forth by the U.S. Department of Labor, Occupational Safety and Health Administration (OSHA) and received 18(e) status. In exchange, OSHA provides up to 50% of the funding for the program. OSHA regularly evaluates the program to ensure that the department uses the funds efficiently and effectively and that the program is "as effective as" OSHA.

F. Description of Major External Trends Affecting the Program

1. The shortage of qualified applicants and the pay differential with private sector affects the program's ability to recruit and retain employees for the professional

positions. The program expends significant monies to train its professional employees without much return for the investment beyond the training period.

2. Small business is concerned about the effect of government regulation on business vitality, the creation of new jobs, and workers' compensation costs.

G. Discussion of Cost, Effectiveness, and Program size Data

None. The program mandates are to prevent the loss of life and property in the most efficient way. The issue is one of life and death.

H. Discussion of Program Revenue

The reductions and position cuts will result in decreased program revenues.

- 1. Occupational Safety and Health penalties (FY 10 \$350,000, FY 11 \$350,000)
- 2. Boiler and Elevator permits and fees (FY 10 \$700,000, FY 11 \$700,000)
- 3. Explosives Certification fees (FY 10 \$10,000, FY 11 \$10,000)
- Hoisting Machine Operators Certification fees (FY 10 \$50,000, FY 11 \$50,000)

I. Summary of Analysis Performed

This program has not conducted an in-depth analysis.

J. Further Considerations

1. Occupational Safety and Health

Because the retention of qualified professional staff is a problem, the program has directed its limited resources to the most hazardous industries. The program has also leveraged its scarce resources by collaborating with industry, unions, associations, and insurance companies and by using incentive programs, such as the Voluntary Protection Program (VPP) and the Safety and Health Achievement Recognition Program (SHARP), to promote mutually beneficial objectives and to foster voluntary compliance.

In the Safety Compliance Branch, we are currently staffed with six front-line inspectors. While the Federal benchmark is nine safety inspectors, the Safety Manager and Supervisor with field inspection duties in addition to their managerial tasks.

2. Boiler and Elevator Safety

Chapter 397, HRS, mandates the frequency of safety and annual inspections for boilers and pressure vessels and elevators and kindred equipment. The program has not been able to keep up with the safety and annual inspections for elevators because of a lack of inspectors. While we are hiring two inspectors to supplement our current staff of five inspectors and one supervisor, given the approximate 6,705 elevator units in Hawaii, we need a staff of eight inspectors to keep up with just the current workload, not including the backlog.

PROGRAM ID:

LBR152

PROGRAM STRUCTURE NO. 020202

PROGRAM TITLE:

WAGE STANDARDS PROGRAM

		IN DOLLAF	{S	::		IN IHOU:	SANDS	
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES	24.50* 1,271,725 37,895	24.00* 1,233,058 23,431	22.00* 1,173,392 23,431	22.00* 1,173,392 23,431	22.0* 1,173 24	22.0* 1,173 24	22.0* 1,173 24	22.0 1,173 24
TOTAL OPERATING COST	1,309,620	1,256,489	1,196,823	1,196,823	1,197	1,197	1,197	1,197
BY MEANS OF FINANCING	24.50*	24.00*	22.00*	22.00*	22.0*	22.0*	22.0*	22.0
GENERAL FUND	1,256,489	1,256,489	1,196,823		1,197	1,197	1,197	1,197
INTERDEPT. TRANSFER	53,131							
TOTAL POSITIONS	24.50*	24.00*	22.00*	22.00*	22.00*	22.00*	22.00*	22.00
TOTAL POSITIONS TOTAL PROGRAM COST	1,309,620	1,256,489	1,196,823	1,196,823	1,197	1,197	1,197	1,197

PERFORMANCE MEASURES AND PROGRAM REVENUES

STATE OF HAWAII

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR152
020202
WAGE STANDARDS PROGRAM

	FY	FY	FY	FY	FY	FY	FY	FY
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. COMPLAINT RATE (PER 100,000 LABOR FORCE - WAGES) 2. COMPLAINT RATE (PER 100,000 LABOR FORCE - WRK INJRY) 3. AVG TIME BTWN FILNG COMPLNT & FINDNGS (WAGES) 4. AVG TIME BTWN COMPLNT HEARNG & DEC (WORK INJURY) 5. #MONETARY VIOLATIONS PER 100 EMPLOYERS INVESTGTD 6. AVE TIME BTW FILING COMPLAINT & FINDINGS (CH 104) 7. CHILD LABOR VIOLATION RATE (PER 10,000 MINORS) 8. PERCENTAGE OF SATISFIED CUSTOMERS	124 21 74 106 50 190 19	130 22 100 100 54 195 20 94	117 21 100 100 50 195 19 85	108 20 100 100 50 195 19 85	99 19 100 100 50 195 19 85	98 19 100 100 50 195 20 85	98 19 100 100 50 195 20 85	97 19 100 100 50 195 20 85
PROGRAM TARGET GROUPS 1. TOTAL NUMBER OF EMPLOYERS 2. TOTAL NUMBER OF LABOR FORCE (THOUSANDS) 3. TOTAL NUMBER OF COMPLAINTS (WAGES) 4. TOTAL NO. OF COMPLAINTS (WORK INJURY TERMINATION) 5. TOTAL NUMBER OF MINORS (14 - 17 YEARS)	32000	32000	32100	32200	32300	32400	32500	32600
	595	593	596	601	606	611	615	620
	736	769	700	650	600	600	600	600
	127	131	125	120	115	115	115	115
	67806	66860	66900	65900	64900	63900	62900	62100
PROGRAM ACTIVITIES 1. INVESTIGATIONS COMPLETED 2. CERTIFICATES ISSUED 3. COMPLAINT AND APPEAL HEARINGS 4. ENROLLEES AT EDUCATIONAL WORKSHOPS	699	650	500	500	500	500	500	500
	13209	12500	12000	12000	12000	12000	12000	12000
	78	80	80	80	80	80	80	80
	413	600	350	350	350	350	350	350

A. Statement of Program Objective

To assure workers of their lawful rights and benefits related to wages and to safeguard them against unlawful employment practices and promote voluntary compliance by educating and assisting employers.

B. <u>Description of Request and Compliance with Section 37-68(1)(A)(B)</u>, HRS

Reductions of \$150,936 in general funds and three vacant positions.

C. Description of Activities Performed

Major activities include: (1) investigation and hearing of complaints relating to minimum wage, overtime, unpaid wages, child labor, prevailing wages and hours on government construction projects, work injury termination, family leave, and lie detector tests; (2) issuing certificates for child labor, timely payment of wages, and special minimum rates; (3) random compliance checks; and (4) educational workshops to promote voluntary compliance.

D. Statement of Key Policies Pursued

The objectives and policies of Sections 226-6(a)(1) and 226-6(b)(11), HRS, will be achieved through the major activities of the program in order to promote and maintain quality of work life standards.

E. Identification of Important Program Relationships

Coordination with the United States Department of Labor (USDOL) and the Department of Education (DOE) is important to the certification and

monitoring of working minors by the program under the Hawaii Child Labor Law.

Coordination with State and county contracting agencies is essential to effective enforcement of Chapter 104, HRS, Wages and Hours of Employees on Public Works Law. Memoranda of agreement have been signed with the Department of Transportation, Department of Accounting and General Services, and the Department of Education that are the major State contracting agencies.

F. Description of Major External Trends Affecting the Program

Nationally and locally, the slowing economic conditions cause an increase in the number of unpaid wage claims the Division handles as employers struggle against bankruptcy.

Construction of public works in Hawaii in contrast is steady. As work in the private sector slows down, contractors will look to participate more in bidding of public works. Enforcing the Wages and Hours of Employees on Public Works Law, Chapter 104, HRS, must focus on prevention to ensure appropriate wages are bid and paid on site. The use of the internet to provide appropriate information and education for contractors that is available to them at their convenience continues to be a pressing force.

Changes in federal overtime rules, Davis-Bacon policies, the federal Family and Medical Leave Act, Employee Retirement and Security Act (ERISA) preemption issues, and increased filings for bankruptcy by employers are other external trends which affect the program.

Concern about adequate enforcement of laws protecting employees' rights and

benefits, continues to be a priority of the program. In addition to accommodating requests for information and consultation services, the program has promoted voluntary compliance through education and by instructing employers to conduct self-audits of payrolls before violations are found.

G. Discussion of Cost, Effectiveness, and Program Size Data

Program effectiveness is measured by the time it takes to notify complainants of investigation findings and of decisions rendered after hearing. Public satisfaction derived from the collection of back wages for workers as well as savings to employers when costly violations are prevented through compliance checks and educational activities are quantified in voluntary surveys to reflect total program effectiveness. The reduction in force will force a reorganization of the program that will impact effectiveness. Distributing the work of three specialists positions will result in:

- 1. Slower response times to the high volume of calls, from one business day to three business days.
- 2. Longer times to investigate claims from 45 days to 175.
- 3. Decrease in customer satisfaction from 94 to 85 percent.

Program size is reflected in the target groups and number of investigations and hearings conducted, certificates issued, and attendance at educational workshops. Projections on labor force and employers are provided by the department's Research and Statistics Office.

H. Discussion of Program Revenue

Projected collections for penalties on violations of Chapter 104, HRS, are approximately \$50,000 per year for the fiscal biennium.

I. Summary of Analysis Performed

No new in-depth analyses have been performed at this time.

J. Further Considerations

The program serves employees who would otherwise not have the funds, knowledge or ability in obtaining what has already been earned but not received.

PROGRAM ID:

LBR153

PROGRAM STRUCTURE NO. 020203

PROGRAM TITLE:

HAWAII CIVIL RIGHTS COMMISSION

		IN DOLLAF	₹5			IN THOUS	SANDS	
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES	30.00* 1,801,398 143,969	30.00* 1,801,398 143,969	26.00* 1,581,333 143,969	26.00* 1,581,333 143,969	26.0* 1,581 144	26.0* 1,581 144	26.0* 1,581 144	26.0* 1,581 144
TOTAL OPERATING COST	1,945,367	1,945,367	1,725,302	1,725,302	1,725	1,725	1,725	1,725
BY MEANS OF FINANCING	24 50**	24 504	20 50*	20 50*	20 En	20 Est	20 Est	20 54
GENERAL FUND	24.50* 1,355,403 5.50*	24.50* 1,355,403 5.50*	20.50* 1,105,521 5.50*	20.50* 1,105,521 5.50*	20.5* 1,105 5.5*	20.5* 1,105 5.5*	20.5* 1,105 5.5*	20.5* 1,105 5.5*
OTHER FED. FUNDS	589,964	589,964	619,781	619,781	620	620	620	620
TOTAL POSITIONS	30.00*	30.00*	26.00*	26.00*	26.00*	26.00*	26.00*	26.00*
TOTAL PROGRAM COST	1,945,367	1,945,367	1,725,302	1,725,302	1,725 ======	1,725 ======	1,725	1,725

PERFORMANCE MEASURES AND PROGRAM REVENUES

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR153
20203
HAWAII CIVIL RIGHTS COMMISSION

	FY	FY	FY	FY	FY	FY	FY	FY
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS								
 % EMPLOY DISCRIM INVESTIG COMPLETED W/IN 1 YR % FAIR HSG DISCRIM INVESTIG COMPLETED W/IN 150 DAY % PUBLIC ACCOM DISCRIM INVESTIG COMPLETED W/IN 1 YR % STATE SVC DISCRIM INVESTIG COMPLETED W/IN 1 YR 	64	75	75	75	75	75	75	75
	93	75	75	75	75	75	75	75
	56	75	75	75	75	75	75	75
	75	75	75	75	75	75	75	75
PROGRAM TARGET GROUPS 1. NO. EMPLOYMENT DISCRIM COMPLAINTS FILED ANNUALLY 2. NO. FAIR HOUSING DISCRIM COMPLAINTS FILED ANNUALLY 3. NO PUBLIC ACCOMM DISCRIM COMPLAINTS FILED ANNUALLY 4. NO. STATE SVCS DISCRIM COMPLAINTS FILED ANNUALLY	285	300	300	300	300	300	300	300
	38	50	50	50	50	50	50	50
	26	30	30	30	30	30	30	30
	5	5	5	5	5	5	5	5
PROGRAM ACTIVITIES 1. #INVESTIG/CLOSING EMPLOY DISCRIM CASES HRS 368-3 2. #INVESTIG/CLOSING FAIR HSG DISCRIM CASES HRS 368-3 3. #INVESTIG/CLOSING ACCOMM DISCRIM CASES HRS 368-3 4. #INVESTIG/CLOSING STATE SVC DISCRIM CASES HRS368-3	230	300	300	300	300	300	300	300
	41	50	50	50	50	50	50	50
	16	30	30	30	30	30	30	30
	4	5	5	5	5	5	5	5
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS) REVENUE FROM OTHER AGENCIES: FEDERAL TOTAL PROGRAM REVENUES		325 325						
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS) SPECIAL FUNDS SPECIAL FUNDS		325	325	325	325	325	325	325 325
TOTAL PROGRAM REVENUES		325	325	325	325	325	325	325

A. Statement of Program Objectives

The State Constitution states that no person shall be discriminated against in the exercise of their civil rights. The HCRC enforces state law prohibiting discriminatory practices in employment, housing, public accommodations and access to services receiving state financial assistance pursuant to HRS Ch.368, 489, 515 and Part 1 of 378.

B. <u>Description of Request and compliance with Section 37-68(1)(A)(B)</u>

Reduction of four vacant positions and \$341,931 in general funds.

C. <u>Description of Activities Performed</u>

The major powers and functions of the HCRC:

- 1. To receive, investigate and conciliate complaints alleging any unlawful discriminatory practice under Ch. 489 and 515 and Part 1 of Ch. 378, HRS.
- To hold hearings in accordance with Ch. 91, HRS, and make inquiries, and for the purpose of these hearings and inquiries, administer oaths and affirmations, issue subpoenas, examine witnesses under oath and require answers to interrogatories.
- 3. To order appropriate legal and equitable relief or affirmative action when a violation is found.
- 4. To commence action in circuit court to seek appropriate relief including the enforcement of any HCRC order.

To issue publications and results of investigations and research that will promote goodwill and minimize or eliminate discrimination in employment, housing, and public accommodations and state funded services.

D. Statement of Key Policies Pursued

Ch. 368, HRS, and HAR Ch. 12-46, provide statutory and regulatory authority for the HCRC's acceptance, investigation, and adjudication of complaints relating to alleged discriminatory practices in employment, housing, public accommodations and access to services receiving State financial assistance. Ch. 368, HRS, also provides that any final order of the HCRC may be appealed before the Circuit Court and such order will be defended by the HCRC. In addition, the HCRC is required by Ch. 368, HRS, to conduct compliance reviews not later than one year from the date of a conciliation agreement, or after the date of a final order to cease an unlawful practice and to implement appropriate affirmative relief.

E. <u>Identification of Important Program Relationships</u>

The HCRC is required under its administrative rules to have a clear division of its prosecutorial and adjudicatory functions and between the HCRC staff who carry out these functions. In addition, the HCRC investigators and attorneys involved in the prosecution of a complaint are prohibited from having any discussions or advising the Commissioners on the complaint outside of the contested case hearing process.

The HCRC is also bound by Ch. 368, HRS to resolve complaints through conciliation. The HCRC is further charged with conducting public education activities to alert and inform the public at large of their rights and responsibilities under the State's discrimination laws. Finally, the HCRC has work share contracts with the federal EEOC and HUD to enforce federal employment and fair housing laws in concert with equivalent state laws. Complaints are dual-filed with the HCRC and the appropriate federal agency, but only one investigation is conducted.

F. Description of Major External Trends Affecting the Program

HUD and EEOC have implemented contract provisions requiring State and local enforcement agencies to reduce aged case inventory. These federal initiatives are consistent with HCRC efforts to reduce the length of time of investigation without sacrificing effective law enforcement. The HCRC has responded by implementing internal policies and program initiatives including voluntary early stage mediation, priority charge processing, specialization in investigation, and increased preventative public education.

G. Discussion of Cost, Effectiveness, and Program Size Data

The number of complaints filed, investigations conducted, cause determinations issued, and final Commission orders upheld in the Circuit Courts reflect the need for and cost effectiveness of the program. The program can also be considered highly cost effective in that it provides a mechanism for a uniform procedure for the enforcement of State discrimination laws by one agency, rather than several as was the case before 1991.

The HCRC enforcement and administrative process is more cost effective than litigation in the Circuit Court. The courts require filing of the complaint with the HCRC to satisfy exhaustion of administrative remedies. The great majority of complaints filed with the HCRC is resolved, reach disposition, and are closed without going to court.

During FY 2008, the HCRC received over 11,000 telephone and walk-in inquiries. 761 intakes were completed by HCRC investigators, resulting in 357 initial complaint filings with the HCRC. The HCRC closed cases at various stages of the administrative process:

19.59% of cases were closed due to complainant electing court action or other administrative basis.

Of 242 cases which were investigated to a cause or no cause determination, or settled or resolved between the parties, 76 (31%) either resulted in a cause determination (23 cases) or were settled through predetermination settlement (53 cases). 166 cases were closed on the basis of a no-cause determination.

In 11 cause cases settled through conciliation, the HCRC obtained monetary relief totaling \$303,500. In the 53 cases settled prior to a cause determination, monetary relief exceeded \$136,000. Significant affirmative relief was also obtained, including development and implementation of anti-discrimination policies, posting polices, and publication of notices of the state anti-discrimination laws enforced by the HCRC.

Case closure data does not reflect the number of investigations completed that resulted in cause (reasonable cause to believe that unlawful discrimination has occurred) recommendations and determinations, because cases are not closed upon a cause determination, but are conciliated and litigated. During FY 2008, HCRC investigations resulted in 23 cause recommendations.

H. <u>Discussion of Program Revenues</u>

The program receives general funds and state federal funds under workshare or cooperative agreements with the U.S.Department of Housing and Urban Development and U.S. Equal Employment Opportunity Commission.

I. Summary of Analysis Performed

An in-depth analysis of the program has not been performed.

J. Further Considerations

OPERATING AND CAPITAL EXPENDITURES

PROGRAM ID:

LBR183

PROGRAM STRUCTURE NO. 020204

PROGRAM TITLE:

DISABILITY COMPENSATION PROGRAM

		IN DOLLA	RS	-		IN THOUS	ANDS	
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES	117.00* 5,791,375 23.285,622	117.00* 5,625,506 23,287,619	111.00* 5,452,772 23,174,470	111.00* 5,452,772 23,174,470	111.0* 5,453 23,174	111.0* 5,453 23,174	111.0* 5,453 23.174	111.0* 5,453 23,174
EQUIPMENT	78,000							
TOTAL OPERATING COST	29,154,997	28,913,125	28,627,242	28,627,242	28,627	28,627	28,627	28,627
				•				
BY MEANS OF FINANCING								
	109.00*	109.00*	103.00*	103.00*	103.0*	103.0*	103.0*	103.0*
GENERAL FUND	5,479,284	5,237,412	4,951,529	4,951,529	4,951	4,951	4,951	4,951
	8.00*	8.00*	8.00*	8.00*	8.0*	8.0*	8.0*	8.0*
SPECIAL FUND	23,675,713	23,675,713	23,675,713	23,675,713	23,676	23,676	23,676	23,676
TOTAL POSITIONS	117.00*	117.00*	111.00*	111.00*	111.00*	111.00*	111.00*	111.00*
TOTAL PROGRAM COST	29,154,997	28,913,125	28,627,242	28,627,242	28,627	28,627	28,627	28,627

STATE OF HAWAII

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR183
020204
DISABILITY COMPENSATION PROGRAM

	FY	FY	FY	FY	FY	FY	FY	FY
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. % OF SUBJECT EMPLOYERS IN COMPLIANCE 2. % OF VOCATIONAL REHAB PARTCPNTS RTN TO WORK (WC) 3. % COMPLAINT PYMT W/IN 30 DAYS/CALC CORRECT-WC 4. % COMPLAINT PYMT W/IN 10 DAYS/CALC CORRECTLY (TDI) 5. % WORKER'S COMP DECISIONS W/IN 60 DAYS OF HEARING 6. % APPEAL WC DEC UPHELD VS. DEC HEARD BY LAB BOARD 7. % CASES SCHEDULED FOR HEARING W/IN 80 DAYS OF REQ.	81 88 0.003 0.004 99 97 92	80 90 0.005 0.007 99 97						
PROGRAM TARGET GROUPS 1. SUBJECT EMPLOYERS 2. COVERED WORKERS - TDI & PHC 3. COVERED WORKERS - WC 4. WORKERS REQUIRING SERVICES - WC 5. TEMPORARY TOTAL DISABLED WORKERS	33210	33400	33400	33400	33400	33400	33400	33400
	594220	595100	595100	595100	595100	595100	595100	595100
	596580	597600	597600	597600	597600	597600	597600	597600
	48269	48000	48000	48000	48000	48000	48000	48000
	12272	13500	13500	13500	13500	13500	13500	13500
PROGRAM ACTIVITIES 1. INVESTIGATIONS (WC, TDI, PHC) 2. AUDITS (WC, TDI, PHC) 3. PLANS REVIEW (TDI, PHC) 4. EMPLOYER EDUCATION AND REGISTRATIONS 5. TOTAL CLAIMS - NEW (WC) 6. CLAIMS CLOSED (WC) 7. HEARINGS (WC) 8. DECISIONS (WC) 9. REFERRAL TO REHABILITATION TRAINING	26040	22000	22000	22000	22000	22000	22000	22000
	886	850	850	850	850	850	850	850
	9948	10000	10000	10000	10000	10000	10000	10000
	4683	4900	4900	4900	4900	4900	4900	4900
	25717	25000	25000	25000	25000	25000	25000	25000
	27339	28000	28000	28000	28000	28000	28000	28000
	2427	2400	2400	2400	2400	2400	2400	2400
	8811	9000	9000	9000	9000	9000	9000	9000
	458	450	450	450	450	450	450	450
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS) REVENUES FROM THE USE OF MONEY AND PROPERTY CHARGES FOR CURRENT SERVICES FINES, FORFEITS AND PENALTIES TOTAL PROGRAM REVENUES	1,202	1,090	1,090	1,090	1,090	1,090	1,090	1,090
	13,485	14,001	14,001	14,001	14,001	14,001	14,001	14,001
	315	100	100	100	100	100	100	100
	15,002	15,191	15,191	15,191	15,191	15,191	15,191	15,191
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS) GENERAL FUNDS SPECIAL FUNDS ALL OTHER FUNDS TOTAL PROGRAM REVENUES	14,578 424 15,002	1 14,790 400 15,191						

A. Statement of Program Objectives

To alleviate the economic hardship that results from the loss of wage income due to work or nonwork-related disability and provide vocational rehabilitation opportunities and incentives for industrially injured workers. This objective includes: 1) ensure timely provision of benefits to injured workers; 2) resolve disputes in a fair and timely manner; 3) ensure provision of reasonable, necessary and timely medical care to workers; and 4) assist workers to return to work.

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

The program is transferring \$83,441 as tradeoffs to offset the 4% Legislative restriction to LBR-902 (General Administration). This program is also proposes a reductions of \$566,432 and eliminating six vacant positions.

The division intends to accomplish the \$649,873 budget cut by reducing its operating expenses by \$113,149 and its personnel expenses by \$536,724.

C. Description of Activities Performed

Major activities are: (1) investigate non-complying employers; (2) audit employer's financial and payroll records to insure compliance with laws' requirements; (3) review disability plans to determine conformity with laws' requirements; (4) register new subject employers; (5) process new industrial injury cases and reopened cases; (6) process claims for closing including final review of accident costs; (7) conduct investigatory hearings for issuance of administrative decisions on issues; (8) review, approve and issue administrative decisions and settlements; (9) review and approve private vocational rehabilitation (VR) agencies as certified providers of rehabilitation services, and the rehabilitation plans offered by these agencies to rehabilitate industrially injured workers; (10) review health care provider treatment plans to insure that

medical care and services are considered necessary and reasonable; and (11) adjudicate complaints against health care providers.

D. Statement of Key Policies Pursued

To achieve program objective, the following key policies are observed: (1) pursue effective and well-planned communication procedures to obtain voluntary compliance with Workers' Compensation (WC), Temporary Disability Insurance (TDI), and Prepaid Health Care (PHC) coverage requirements; (2) obtain employers' compliance requiring timely benefit payments to ease disabled employees' financial burden; (3) apply enforcement procedures when employers fail to comply with the law; and (4) facilitate all rehabilitation activities to assist industrially injured workers to return to suitable, gainful employment.

E. <u>Identification of Important Relationships</u>

Other programs or agencies with which the wage replacement programs have some direct relationships are: Department of Accounting and General Services, Information Communication Systems Development; Department of Commerce and Consumer Affairs; Department of Human Services, Vocational Rehabilitation Division; and the Department of Labor and Industrial Relations, Fiscal Office and Wage Standards Division; private vocational rehabilitation agencies and health care provider organizations.

F. Description of Major External Trends Affecting the Programs

The State's economic trend is the primary factor affecting the wage replacement programs. The increasing workforce may increase the number of claims serviced, while the increasing complexity and adversity in WC cases will increase workload requirements. There is continuing pressure from health care providers to increase the medical fee schedule. Medical costs continue to rise

and increasing the medical fee schedule will result in higher workers' compensation insurance premiums for employers. Increasing medical costs are also resulting in rising PHC insurance premium costs. As a result, employer noncompliance with providing health care coverage to eligible employees may increase.

G. Discussion of Costs, Effectiveness, and Program Size Data

The program's annual budget of \$28,627,242 for FY10 and FY11 will be insufficient to meet current levels of service. The breakdown of the budget follows: \$5,452,772 for salary costs and \$23,174,470 for other expenses. In the other expenses category, \$22,561,333 from special funds is budgeted to pay WC, TDI, and PHC benefits to claimants.

The proposed transfers, tradeoffs, and reductions will cut the program's payroll budget by \$536,724. The division plans to focus its efforts on services that have statutory deadlines, while providing its remaining services on a time-available basis.

The program also plans to fill only those vacant positions that are critical to its ability to maintain effective service to the public. Positions will be filled via IVA to minimize additional staffing costs and in this way program employees will be allowed to pursue promotional opportunities in support of operating requirements. The program will also attempt to further reduce operating expenses by using video hearings for Hilo and Kauai (rather than sending Honolulu Hearings Officers to neighbor islands to conduct these hearings), since Hilo and Kauai do not have qualified hearings officers to conduct complex workers' compensation hearings. As employees retire, only those positions that are critical to the program's mission will be filled.

H. <u>Discussion of Program Revenue</u>

Total Special Fund Revenues of \$15,190,000 is forecasted for each of FY10 and FY11. The three primary sources of revenues and their amounts are as follows: \$14,000,000 from WC special fund assessments, \$1,090,000 from investment earnings, and \$100,000 from other sources.

I. Summary of Analysis Performed

An in-depth analysis of the program has not been performed.

J. Further Considerations

REPORT P61-A

PROGRAM ID:

LBR316

PROGRAM STRUCTURE NO. 020205

PROGRAM TITLE:

OFFICE OF LANGUAGE ACCESS

		IN DOLLAF	RS	-		IN THOU	SANDS	
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	6.00*	6.00*	5.00*	5.00*	5.0*	5.0*	5.0*	5.0*
PERSONAL SERVICES	218,823	291,764	283,066	283,066	283	283	283	283
OTHER CURRENT EXPENSES	148,236	148,236	148,236	148,236	148	148	148	148
TOTAL OPERATING COST	367,059	440,000	431,302	431,302	431	431	431	431
BY MEANS OF FINANCING				•				
	6.00*	6.00*	5.00*	5.00*	5.0*	5.0*	5.0*	5.0*
GENERAL FUND	367,059	440,000	431,302	431,302	431	431	431	431
TOTAL POSITIONS	6.00*	6.00*	5.00*	5.00*	5.00*	5 00m	5 00v	5.00.
TOTAL PROGRAM COST			5 1 2 1			5.00*	5.00*	5.00*
IUIAL PROGRAM COSI	367,059	440,000	431,302	431,302	431	431	431	431
				i				

STATE OF HAWAII

PERFORMANCE MEASURES AND PROGRAM REVENUES

REPORT P62

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR316
020205
OFFICE OF LANGUAGE ACCESS

	FY							
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. % STATE AGENCIES IN COMPLIANCE W/ LANG ACCESS REQ	100	90	90	90	90	90	90	90
PROGRAM TARGET GROUPS 1. NUMBER OF STATE AGENCIES	25	25	25	25	25	25	25	25
PROGRAM ACTIVITIES 1. NUMBER OF TECHNICAL ASSISTANCE MEETINGS 2. NO. LANG PROF BARR ELIM THRU INFORMAL/FORMAL METH	40	40	40	40	40	40	40	40
	20	20	20	20	20	20	20	20

A. Statement of Program Objective

To provide centralized oversight, central coordination, and technical assistance to State agencies when implementing language access requirements between all levels of government and individuals who are precluded from using public services due to language proficiency barriers.

B. Description and Request and Compliance with Section 37-68(1)(A)(B)

Reduction of one vacant position and \$31,212 in general funds. The position (Legal Clerk) provides support to the senior legal analyst and other staff, particularly in the intake, preliminary processing, referral, and tracking of calls, inquiries, formal and informal complaints from the community related to language access law violations.

C. <u>Description of Activities Performed</u>

- 1. Conduct technical assistance meetings with state agencies.
- 2. Eliminate language proficiency barriers through informal/formal methods.

D. Statement of Key Policies Pursued

Review and monitor each State agency's language access plan for compliance with Chapter 371, HRS.

E. <u>Identification of Important Program Relationships</u>

Consult with state agency's language access coordinators, the language access advisory council, and the department directors or their equivalent.

F. Description of Major External Trends Affecting the Program

There are no major external trends affecting this program.

G. Discussion of Cost, Effectiveness, and Program size Data

Target groups include:

- 1. State agencies within the Executive, Legislative, and Judicial branches, including departments, offices, commissions, and boards.
- 2. Covered entities involve a person or organization receiving state financial assistance including grants and purchase-of-services contracts.

H. Discussion of Program Revenue

No program revenues are projected for the biennium.

J. Summary of Analysis Performed

An in-depth analysis of the program has not been performed.

J. Further Considerations

OPERATING AND CAPITAL EXPENDITURES

PROGRAM ID:

LBR161

PROGRAM STRUCTURE NO. 020301

PROGRAM TITLE:

HAWAII LABOR RELATIONS BOARD

		IN DOLLAR	ls			IN THOU	SANDS	
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	1.00*	1.00*	1.00*	1.00*	1.0*	1.0*	1.0*	1.0*
PERSONAL SERVICES	421,583	421,583	454,895	454,895	455	455	455	455
OTHER CURRENT EXPENSES	44,836	44,836	34,836	34,836	35	35	35	35
TOTAL OPERATING COST	466,419	466,419	489,731	489,731	490	490	490	490
BY MEANS OF FINANCING								
	1.00*	1.00*	1.00*	1.00*	1.0*	1.0*	1.0*	1.0*
GENERAL FUND	466,419	466,419	489,731	489,731	490	490	490	490
TOTAL POSITIONS	1.00*	1.00*	1.00*	1.00*	1.00*	1.00*	1.00*	1.00*
TOTAL PROGRAM COST	466,419	466,419	489,731	489,731	490	490	490	490

STATE OF HAWAII

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR161
020301
HAWAII LABOR RELATIONS BOARD

	FY	FY	FY	FY	FY	FY	FY	FY
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. % DECISNS RENDERED ON TIMELY BASIS (W/IN 30 DAYS) 2. % OF DECISIONS UPHELD ON APPEAL	84	80	80	80	80	80	80	80
	69	40	40	40	40	40	40	40
PROGRAM TARGET GROUPS 1. PUBLIC EMPLOYERS 2. PUBLIC EMPLOYEE ORGANIZATIONS 3. PUBLIC EMPLOYEES (IN THOUSANDS) 4. PRIV EMPLOYERS COVERED BY HI LABOR RELATIONS ACT 5. PRIV EMPLOYEE ORGS COVERED BY HI LABOR RELATINS ACT 6. PRIV EMPLOYEES (000S) COVERED BY LABOR RELTNS ACT	9	9	9	9	9	9	9	9
	6	6	6	6	6	6	6	6
	59	59	59	59	59	59	59	59
	21939	21939	21939	21939	21939	21939	21939	21939
	50	50	50	50	50	50	50	50
	343	343	343	343	343	343	343	343
PROGRAM ACTIVITIES 1. PROHIBITED PRACTICE COMPLAINTS 2. DECLARATORY RULINGS REQUESTED 3. PETITIONS FOR CLARIFICATION OR AMENDMENT OF UNIT 4. REPRESENTATION PROCEEDINGS AND ELECTIONS 5. CIRCUIT/SUPREME COURT APPEALS 6. REFUND OF UNION DUES TO NONMEMBER EMPLOYEES 7. IMPASSE ASSISTANCE 8. OCCUPATIONAL SAFETY AND HEALTH APPEALS	43 5 1 0 21 0 14	40 4 3 3 8 1 11 15	40 4 3 3 8 1 0 20	40 4 3 3 8 1 13 20	40 4 3 3 8 1 0 20	40 4 3 3 8 1 13 20	40 4 3 3 8 1 0 20	40 4 3 3 8 1 13 20

A. Statement of Program Objectives

To administer Chapters 89 and 377, HRS, in a neutral quasi-judicial capability to promote stability and fair dealing, and enforce the collective bargaining rights in the public sector and for private sector employers and employees not subject to the National Labor Relations Act. The Board also hears and decides contests arising under Chapter 396, HRS, relating to Occupational Safety and Hawaii matters.

B. Description of Request and compliance with Section 37-68(1)(A)(B)

Reduction of \$10,000 in general funds.

C. <u>Description of Activities Performed</u>

The Board's major activities include resolving unfair or prohibited practice complaints, conducting representation proceedings and elections (certification, decertification and amendment or clarification of appropriate bargaining units), resolving disputes arising from application of religious exemptions, reviewing the propriety of payroll deduction complaints, providing impasses assistance as necessary (mediation and arbitration), conducting investigations, appearing in court to defend its decisions and orders on appeal or seeking enforcement of its subpoenas or orders, and issuing declaratory rulings on the applicability of statutes, rules, or orders of the Board. With respect to occupational safety and health matters, the Board conducts hearings on contests of citations issued and discrimination complaints filed under Chapter 396.

D. Statement of Key Policies Pursued

The Board is concerned with the expeditious resolution of the disputes brought before it. The Board encourages the parties to voluntarily settle their disputes wherever lawful and appropriate. In cases involving alleged breaches of contract, the Board directs the parties to their contractual grievance procedure and retains jurisdiction over the cases for limited purposes.

E. <u>Identification of Important Program Relationships</u>

None.

F. Description of Major External Trends Affecting the Program

The Board is responsible to provide impasse assistance to the parties in the public sector. As all public sector collective bargaining agreements expire on June 30, 2009, except for Unit 07, faculty, under the current law, all other bargaining units will be at impasse by February 1, 2009. If the parties cannot reach agreement, Units 01, blue collar and 05 teachers can legally strike.

G. <u>Discussion of Cost, Effectiveness, and Program Size Data</u>

The Board has continued to address efficiency and productivity. The Board has continued to resolve its cases with a slight backlog despite decreased funding and the increase in its caseload.

H. <u>Discussion of program Revenues</u>

No program revenues are projected for the biennium.

I. <u>Summary of Analysis Performed</u>

An in-depth analysis of the program has not been performed.

J. Further considerations

REPORT P61-A

PROGRAM ID:

LBR812

PROGRAM STRUCTURE NO. 020302

PROGRAM TITLE:

LABOR & INDUSTRIAL RELATIONS APPEALS BOA

		IN DOLLAR	(S			IN THOUSANDS		
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	12.00*	12.00*	10.00*	10.00*	10.0*	10.0*	10.0*	10.0*
PERSONAL SERVICES	703,389	768,389	701,071	701,071	701	701	701	701
OTHER CURRENT EXPENSES	59,177	59,177	59,177	59,177	59	59	59	59
TOTAL OPERATING COST	762,566	827,566	760,248	760,248	760	760	760	760
				i				
BY MEANS OF FINANCING								
	12.00*	12.00*	10.00*	10.00*	10.0*	10.0*	10.0*	10.0*
GENERAL FUND	762,566	827,566	760,248	760,248	760	760	760	760
TOTAL POSITIONS	12.00*	12.00*	10.00*	10.00*	10.00*	10.00*	10.00*	10.00**
TOTAL PROGRAM COST	762,566	827,566	760.248	760.248	760	760	760	10.00*
TOTAL TROOKAN GOST			100,246	760,248 j	760	760	760	760 ======

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR812
020302
LABOR AND INDUSTRIAL RELATIONS APPEALS BOARD

	FY	FY	FY	FY	FY	FY	FY	FY
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. % OF APPEALS RESOLVED IN 15 MONTHS 2. % OF BOARD DECISIONS UPHELD BY APPELLATE COURT	60	60	60	60	60	60	60	60
	80	90	90	90	90	90	90	90
PROGRAM TARGET GROUPS 1. NUMBER OF APPEALS FILED	597	600	600	600	600	600	600	600
PROGRAM ACTIVITIES 1. NUMBER OF PRE-HEARING CONFERENCES HELD 2. NUMBER OF SETTLEMENT/STATUS CONFERENCES HELD 3. NUMBER OF HEARINGS HELD 4. NUMBER OF MOTION HEARINGS HELD	568	600	600	600	600	600	600	600
	553	500	500	500	500	500	500	500
	86	100	100	100	100	100	100	100
	238	250	250	250	250	250	250	250
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS) CHARGES FOR CURRENT SERVICES TOTAL PROGRAM REVENUES	· 1	1 1	1 1	11	1	1	1	1 1
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS) GENERAL FUNDS TOTAL PROGRAM REVENUES	1	<u> </u>	<u>1</u> 1	<u> </u>	<u>1</u> 1	<u> </u>	<u> </u>	1

A. Statement of Program Objective

To provide fair treatment for individuals in the prompt, just, and inexpensive review of appeals from Workers' Compensation and Occupational Safety and Health (Boiler/Elevator) decisions.

B. <u>Description of Request and Compliance with Section 37-68(1)(A)(B)</u>

Reduction of two vacant positions and \$126,610 in general funds.

C. Description of Activities Performed

- 1. Conduct pre-hearing conferences.
- 2. Conduct settlement conferences.
- 3. Conduct hearings and issue decision and orders.

D. Statement of Key Policies Pursued

The Workers' Compensation Law, Chapter 386, HRS, as amended, and Hawaii Administrative Rules Chapters 12-47, provide statutory and administrative rules and guidelines for the Labor and Industrial Relations Appeals Board's decisions on workers' compensation cases on appeal. Chapter 397, HRS, is for the Boiler and Elevator Safety Law.

E. <u>Identification of Important Program Relationships</u>

The Board reviews and decides all decisions of the Director of Labor and Industrial Relations on appeal regarding the above-mentioned laws.

F. <u>Description of Major External Trends Affecting the Program</u>

Major external trends affecting the program include general economic and labor conditions on the local level and population growth. As the labor population increases, so does the number of workers' compensation cases coming before the Board.

G. <u>Discussion of Cost, Effectiveness, and Program Size Data</u>

Efficient scheduling, and generally higher productivity, have enabled the Board to reduce the average turn around time from appeals filed to final disposition of cases. The cost of operating the Board has also been kept at a minimum. The Board continues to make strides in its provision of efficient service to the public by the hard work and dedication of its staff.

H. Discussion of Program Revenue

No program revenues are projected for the biennium.

I. <u>Summary of Analysis Performed</u>

An in-depth analysis of the program has not been performed.

J. <u>Further Considerations</u>

REPORT P61-A

PROGRAM ID:

LBR871

PROGRAM STRUCTURE NO. 020303

PROGRAM TITLE:

EMPLOYMENT SECURITY APPEALS REFEREES' OF

		IN DOLLAR	?S			IN THOU	JSANDS	
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	10.80*	10.80*	10.80*	10.80*	10.8*	10.8*	10.8*	10.8*
PERSONAL SERVICES	844,402	844,402	894,532	894,532	895	895	895	895
OTHER CURRENT EXPENSES	60,000	60,000	60,000	60,000	60	60	60	60
TOTAL OPERATING COST	904,402	904,402	954,532	954,532	955	955	955	955
BY MEANS OF FINANCING								
	10.80*	10.80*	10.80*	10.80*	10.8*	10.8*	10.8*	10.8*
OTHER FED. FUNDS	904,402	904,402	954,532	954,532	955	955	955	955
TOTAL POSITIONS	10.80*	10.80*	10.80*	10.80*	10.80*	10.80*	10.80*	10.80*
TOTAL PROGRAM COST	904,402	904,402	954,532	954,532	955	955	955	955

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR871
020303
EMPLOYMENT SECURITY APPEALS REFEREES' OFFICE

	FY							
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. % HEARINGS SCHEDULED W/IN 30 DAYS OF APPEAL REQ 2. % APPEALS DECISIONS ISSUED W/IN 30 DAYS OF HEARING	95	89	89	89	89	89	89	89
	95	92	92	92	92	92	92	92
PROGRAM TARGET GROUPS 1. NUMBER OF APPEAL REQUESTS RECEIVED	3147	4300	3950	3019	3019	3019	3019	3019
PROGRAM ACTIVITIES 1. NUMBER OF APPEALS HEARINGS HELD 2. NUMBER OF APPEALS DECISIONS ISSUED	3200	4350	4050	3250	3250	3250	3250	3250
	3408	4300	3850	3006	3006	3006	3006	3006

A. Statement of Program Objective

To provide administrative review on appeals from determinations and redeterminations for unemployment compensation benefits.

B. <u>Description of Request and Compliance With Section 37-6B(1)(A)(B)</u>

None

C. <u>Description of Activities Performed</u>

To administer the statewide Unemployment Insurance appeals process by scheduling hearings and issuing decisions.

D. Statement of Key Policies Pursued

Emphasis is directed on the following program objectives:

- a. Scheduling hearings within 30 days of appeal request, and
- b. Issuing appeals decisions within 30 days following the hearing.

E. <u>Identification of Important Program Relationships</u>

1. U.S. Department of Labor, Training Administration

Since the program receives its administrative funds from Federal grants, the office must comply with the regulations prescribed by the Secretary of Labor and with the policies contained in the Employment Security Manual or set forth in other official DOL publications or agreements.

2. Other State Agencies

Consults with the Attorney General's Office for legal services.

F. Description of Major External Trends Affecting the Program

The program size is dependent on the economic condition of the State. As unemployment increases, workloads will increase. Program scope is dependent on legislation. If federal changes are enacted, the State will be required to implement similar provisions.

G. Discussion of Cost, Effectiveness, and Program Size Data

- 1. Unemployment related data is based on projections made by the Department's Research & Statistics Office. The forecasted rate of insured unemployment is expected to average 2.6%.
- 2. Employer data is based on the number of subject employers projected to increase at a 0.6% annual rate.

H. Discussion of Program Revenue

No program revenues are projected for the biennium.

I. Summary of Analysis Performed

An in-depth analysis of the program has not been performed.

J. Further Considerations

REPORT P61-A

PROGRAM ID:

LBR901

PROGRAM STRUCTURE NO. 020401

PROGRAM TITLE:

DATA GATHERING, RESEARCH AND ANALYSIS

	***************************************	IN DOLLAI	RS			IN THOU	SANDS	
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15
OPERATING COST	37.00*	37.00*	36.00*	36.00*	36.0*	36.0*	36.0*	36.0*
PERSONAL SERVICES OTHER CURRENT EXPENSES	2,379,783 526,919	2,379,783 526,919	2,495,979 503,987	2,495,979 503,987	2,496 504	2,496 504	2,496 504	2,496 504
TOTAL OPERATING COST	2,906,702	2,906,702	2,999,966	2,999,966	3,000	3,000	3,000	3,000
BY MEANS OF FINANCING	8.88*	8.88*	7.88*	7.88*	7.9*	7.9*	7.9*	7.9*
GENERAL FUND	468,466	468,466	446,852	446,852	447	447	447	447
OTHER FED. FUNDS	28.12* 2,438,236	28.12* 2,438,236	28.12* 2,553,114	28.12* 2,553,114	28.1* 2,553	28.1* 2,553	28.1* 2,553	28.1* 2,553
TOTAL POSITIONS	37.00*	37.00*	36.00*	36.00*	36.00*	36.00*	36.00*	36.00*
TOTAL PROGRAM COST	2,906,702	2,906,702	2,999,966 	2,999,966	3,000	3,000	3,000	3,000

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR901
020401
DATA GATHERING, RESEARCH AND ANALYSIS

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
MEASURES OF EFFECTIVENESS								
 % FEDERALLY-MANDATED REPORTS THAT MEET DEADLINES DEGREE OF SATIS OF USERS OF RESEARCH PROD & SERV 	99 90							
PROGRAM TARGET GROUPS 1. NO. OF USERS OF RESEARCH PRODUCTS AND SERVICES	224000	245000	250000	250000	250000	250000	250000	250000
PROGRAM ACTIVITIES								
NO. MANDATED REPTS PRODUCED FOR INT & EXT AGENCIES NO. ONLINE/HARDCOPY PUBLICATIONS ARTICLES & REPORT	39 92	56 67	60 70	60 70	60 70	60 70	60 70	60 70
3. NO. OF OUTREACH AND EDUCATION FORUMS CONDUCTED	1	1	2	2	2	2	2	2
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
REVENUE FROM OTHER AGENCIES: FEDERAL	1,592	1,400	1,400	1,400	1,400	1,400	1,400	1,400
TOTAL PROGRAM REVENUES	1,592	1,400	1,400	1,400	1,400	1,400	1,400	1,400
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	1,592	1,400	1,400	1,400	1,400	1,400	1,400	1,400
TOTAL PROGRAM REVENUES	1,592	1,400	1,400	1,400	1,400	1,400	1,400	1,400

A. Statement of Program Objective

To develop, deliver and coordinate research and statistics to meet labor market supply and demand, support program effectiveness and efficiency, and contribute to general economic policymaking.

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Reduction of \$53,434 in general funds and deletion of one vacant position.

C. <u>Description of Activities Performed</u>

The Research and Statistics Office provides applied and basic research and statistics for legislative, administrative and program operations; provides research and statistics on labor market conditions for economic policymaking and employment and training program purposes; and develops, coordinates and delivers career, occupational, and educational information for career planning and job search purposes.

- 1. Conducts unemployment insurance program and legislative research in such areas as benefit eligibility, benefit adequacy and financing.
- 2. Conducts labor market research studies to determine labor market conditions for labor and job search activities.
- 3. Conducts the Bureau of Labor Statistics programs of Current Employment Statistics, Local Area Unemployment Statistics, Quarterly Census of Employment and Wages, Occupational Employment Statistics, and the Mass Layoff Statistics.

- 4. Conducts program and legislative research for the Disability Compensation, Wage Standards, Workforce Development, and Occupational Safety and Health Divisions.
- 5. Supports and assists the administration and operation of the occupational safety and health program by conducting employer surveys and compiling and analyzing occupational injury and illness data.
- Coordinates the development, delivery, and use of occupational information.

D. Statement of Key Policies Pursued

- 1. Advise management on the research and statistical needs of the department in meeting its overall mission.
- Coordinate the preparation, review, verification, validation and transmittal of operational program reports as required by the U.S. Department of Labor.
- 3. Conduct program, legislative, and economic research.
- 4. Recommend procedures for a departmental system of statistical reporting.
- 5. Develop and disseminate program and administrative statistical data.
- 6. Advise other departmental units in applying research techniques in operational planning and program studies.

Maintain liaison with other research agencies and labor information sources.

E. <u>Identification of Important Program Relationships</u>

Program relationships are maintained with the U.S. Department of Labor who directs the implementation and maintenance of employment and training programs and occupational safety and health programs; other departments of the State of Hawaii with whom programs must be coordinated; County agencies who are involved in labor related activities; State and Local Workforce Investment Boards (WIBs) and WIA planning and implementation; private agencies like the Bank of Hawaii, First Hawaiian Bank, the Hawaii Employers Council, and labor unions with whom we maintain contact to exchange labor related information, and the program divisions of the department.

F. Description of Major External Trends Affecting the Program

The data gathering, research and analysis program is affected by local, state, national and international economic trends as we estimate, project and analyze the labor market conditions of the State of Hawaii and its sub-areas relative to the employment and unemployment data we produce.

G. Discussion of Cost, Effectiveness, and Program Size Data

Resources are provided through two major sources—the U.S. Department of Labor and the state general fund. During the past fiscal year, 28.12 positions were financed by the U.S. Department of Labor and 8.88 positions by the state's general fund.

H. Discussion of Cost, Effectiveness, and Program Size Data

None.

I. Summary of Analysis Performed

None.

J. Further Considerations

None.

REPORT P61-A

PROGRAM ID:

LBR902

PROGRAM STRUCTURE NO. 020402

PROGRAM TITLE:

GENERAL ADMINISTRATION

	IN DOLLARS				IN THOUSANDS				
PROGRAM EXPENDITURES	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15	
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES	62.94* 3,528,957 954,882	62.94* 2,740,249 954,148	61.02* 3,654,136 954,148	61.02* 3,654,136 954,148	61.0* 3,654 954	61.0* 3,654 954	61.0* 3,654 954	61.0× 3,654 954	
TOTAL OPERATING COST	4,483,839	3,694,397	4,608,284	4,608,284	4,608	4,608	4,608	4,608	
BY MEANS OF FINANCING									
	27.46*	27.46*	25.54*	25.54*	25.5*	25.5*	25.5*	25.5	
GENERAL FUND	1,368,088	598,850	1,379,475	1,379,475	1.379	1,379	1,379	1,379	
	35.48*	35.48*	35.48*	35.48*	35.5*	35.5*	35.5*	35.5	
OTHER FED. FUNDS	3,115,751	3,095,547	3,228,809	3,228,809	3,229	3,229	3,229	3,229	
TOTAL POSITIONS	62.94*	62.94*	61.02*	61.02*	61.00*	61.00*	61.00*	61.00*	
TOTAL PROGRAM COST	4,483,839	3,694,397	4,608,284	4,608,284	4,608	4.608	4,608	4,608	

PROGRAM ID:
PROGRAM STRUCTURE:
PROGRAM TITLE:

LBR902
020402
GENERAL ADMINISTRATION

	FY							
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
MEASURES OF EFFECTIVENESS 1. % VENDOR PAYMENTS MADE WITHIN 30 DAYS 2. % FED-MANDATED FISCAL REPORTS THAT MEET DEADLINES 3. % PERSONNEL, CLASSIFICATIONS, TRAINING REQ. PROCESS 4. % GRIEVANCES RESOLVED BEFORE ARBITRATION 5. % DATA PROCESSING REQUESTS COMPLETED	95	97	97	97	97	97	97	97
	95	97	97	97	97	97	97	97
	97	97	97	97	97	97	97	97
	0	20	20	20	20	20	20	20
	93	88	88	88	88	88	88	88
PROGRAM TARGET GROUPS 1. NUMBER OF EMPLOYEES (DEPARTMENT) 2. NUMBER OF PROGRAM AND ATTACHED AGENCIES	554	550	550	550	550	550	550	550
	15	15	14	14	14	14	14	14
PROGRAM ACTIVITIES 1. NUMBER OF PURCHASE ORDERS PROCESSED 2. NUMBER OF PCARD TRANSACTIONS PROCESSED 3. NO. FED-MANDATED FISCAL REPORTS ANNUALLY REQUIRED 4. NO. OF FISCAL MONITORING COMPLETED 5. NO. PERSONNEL CLASSIFICATION AND TRAIING REQ. REC 6. NO. OF GRIEVANCES FILED 7. NO. DATA PROCESSNG REQUESTS RECEIVED	425	425	425	425	425	425	425	425
	3715	3700	3700	3700	3700	3700	3700	3700
	23	24	24	24	24	24	24	24
	1	1	1	1	1	1	1	1
	2502	1750	1500	1250	1250	1250	1250	1250
	2	3	3	3	3	3	3	3
	918	800	800	800	800	800	800	800
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS) REVENUE FROM OTHER AGENCIES: FEDERAL CHARGES FOR CURRENT SERVICES TOTAL PROGRAM REVENUES	2,221	1,800	1,800	1,800	1,800	1,800	1,800	1,800
	180	60	60	60	60	60	60	60
	2,401	1,860	1,860	1,860	1,860	1,860	1,860	1,860
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS) GENERAL FUNDS SPECIAL FUNDS TOTAL PROGRAM REVENUES	180	60	60	60	60	60	60	60
	2,221	1,800	1,800	1,800	1,800	1,800	1,800	1,800
	2,401	1,860	1,860	1,860	1,860	1,860	1,860	1,860

A. Statement of Program Objectives

To enhance program effectiveness and efficiency by formulating policies, directing operations and personnel and providing other administrative and housekeeping services.

B. <u>Description of Request and Compliance with Section 37-68 (1) (A) (B)</u>

Transfer \$713,107 in general funds from other programs to cover payroll deficit due to the 4% legislative reduction.

C. <u>Description of Activities Performed</u>

Included in this program are:
Director's Office
Information Office
Administrative Services Office
Program, Organization, Method & Evaluation Office
Electronic Data Processing Systems Office
Equal Opportunity Employment
Personnel Office

Executive direction to the department's divisions and programs are provided by undertaking such activities as short and long-range planning, instituting policy

changes, proposing State legislation, develop and/or execute innovative and improved programs, keeping abreast of new solutions to manpower problems, preparing program and budget presentations, maintaining fiscal, accounting, purchasing, office services functions, and promoting research, and maintaining personnel transactions, advisory services and position classification functions, and provide information services, and assuring equal opportunity employment and promoting affirmative action programs.

D. Statement of Key Policies Pursued

To achieve the program objective, the key policies are: 1) attain the goals of the Hawaii State Plan and the State Employment Functional Plan, where we have a direct or indirect involvement; 2) maintaining effective communications with staff, state, federal and private agencies or firms, and labor organizations; 3) maintain and develop meaningful and timely fiscal and management information data; 4) supervise and evaluate the self-appraisal studies of the divisions and offices; 5) develop and coordinate in and out-service training; and 6) monitor and coordinate and provide technical assistance in data processing.

E. <u>Identification of Important Program Relationship</u>

Close working relationships are maintained and coordinated with the U.S. Department of Labor's Employment and Training Administration, Bureau of Labor Statistics, and the Occupational Safety and Health Administration and

other federal agencies that provide the funding for the program. In addition, the program maintains close relationship with advisory councils and other State and county agencies through the various program involvement and operations.

F. Description of Major External Trends Affecting the Program

The national, State, and counties economic trends have a direct impact on the program. Trends of high employment and/or unemployment, shortage or abundances of skilled workers on certain trades, employment opportunities to certain class or group, high incidence of work injuries, and complaints of unfair labor practices would bring about shift in emphasis.

G. Discussion of Cost, effectiveness and Program Size Data

The program is managing to maintain its effectiveness under the current level of services. The program continually seeking better cost/benefit procedures to enhance the operation for further improvements on the timeliness of financial/expenditure and other management information reports from which the

line operations will be better able to allocate their resources in a more effective and efficient manner.

H. <u>Discussion of Program Revenue</u>

Federal funds are derived from the U.S. Department of Labor for the operation of the Employment Security Program, Job Training Programs, and Occupational Safety and Health Program.

I. Summary of Analysis Performed

An in-depth analysis of the program has not been performed.

J. Further Consideration